

Cavalcade of Costume Limited

(A Charitable Company Limited by Guarantee)

trading as

Blandford Fashion Museum

Annual Report and Financial Statements

for the year ending

31st December 2023

Registered Charity Number: 1052471

Company Registration Number: 3135360

Report of the Board of Directors

Contents

Contents	2
Reference and Administration Information	4
Introduction	6
Governing Document	7
Accreditation	7
Board of Directors (Trustees)	7
Risk Management	7
History and Objectives of Blandford Fashion Museum	8
Management and Administration	8
Volunteers	8
Display	9
Identification and Conservation	9
Visitors	10
Fund Raising & Grants	10
Lime Tree House	11
Members of the Fashion Museum	12
Education Activities	12
Treasurer's End-of-Year Financial Report	12
Reserves Policy	14
Release of Reserves 2023	16
Investment Policy	17
Gifts of Physical Assets	17
Plans for 2024 and beyond	Error! Bookmark not defined.
Statement of Director's Responsibilities	17
Closing Statement	18
Appendix: Financial Statements	19
Account Balances as at 31 st December 2023	19
Tangible Fixed Assets	20
Income	21
Expenditure	22

GENERAL UNRESTRICTED FUNDS	23
RESTRICTED FUND	23
THE BOARD OF DIRECTORS' REMUNERATION	23
BALANCE SHEET AS AT 31 DECEMBER 2023.....	24

Reference and Administration Information

Charity Name:	Cavalcade of Costume
Trading Name:	The Blandford Fashion Museum (wef 1 January 2009)
Charity Registration Number:	10524171
Company Registration Number:	3135360
Registered Office:	Lime Tree House The Plocks Blandford Forum Dorset DT11 7AA
Telephone:	01258 453005
Website:	https://www.blandfordfashionmuseum.co.uk
Email address:	fashionmuseumblandford@gmail.com
Board of Trustees:	Dr Helen Margaret Walter (Chair) Assoc. Prof. Rebecca Pride (Deputy Chair) Mrs Sally O'Shea (Treasurer) Mrs Stella Walker Mrs Jean Longley Mrs Kathryn Reed (until September 2023) Ms Brianna Oliver (until December 2023) Ex officio: Cllr Rosemary Holmes – Blandford Town Council Cllr Colin Stevens – Blandford Town Council
Management Team	Ms Katie Godman-Sinclair – Operations Manager Mrs Stella Walker – Curator & Head of Costume & Display (until December 2023) Mrs Valerie McKinley – Tea-Room Manager Mrs Kate Hughes – Tea-Room Manager Mrs Michelle Corben – Tea-Room Rostering Mrs Jean Longley – Group Booking Secretary Mrs Lynn Dean – Friends Secretary (until December 2023) Mrs Rosemary England – Education Officer
Primary Bankers:	National Westminster Bank 25 Market Place Blandford Forum

Dorset
DT11 7AQ

Other Accounts held with:

Barclays Bank, Blandford (until May 2023)
Nationwide, Blandford
CCLA, London

Solicitors:

Blanchards Bailey
Stour Park
Blandford Forum
Dorset
DT11 9LQ

Introduction

The directors present their annual report for the year ended 31st December 2023. As Cavalcade of Costume Ltd is a registered charity and company, this statutory Directors' report serves as the Trustees' Annual Report.

In this year, the Board of Trustees has continued to develop a strategy for the future, making a series of larger scale grant applications than we have to date and trying to work on ensuring the long-term viability of the museum, from the perspectives of audience development, financial stability, staffing and physical infrastructure. This was our first full year with our Operations Manager, Katie Godman, who has taken on much of the day-to-day organisation of the museum and also developed a number of education, publicity and outreach initiatives that, even in their early stages, are bearing fruit, with visitor numbers in 2023 not just back up to pre-pandemic levels, but at 2233 exceeding our best previous year (2018) by over 20%.

We ended 2022 with a substantial sum in our operating and reserve accounts, having funded completely but not yet paid for Phase II of the building works. Although the works were completed in 2022, they were certified and paid for in 2023, which represented an anticipated drain on our surplus funds. Sadly, a small lead roof that was not part of this building programme, failed in late March 2023, causing water ingress into a corridor and leading to the closure of the museum and then waiving of the entry fee for two weeks in the Easter Holidays. This unfortunately involved a temporary fix and then a later, more substantial piece of building work, which necessitated dipping into our CCLA reserve account (discussed in more detail below). In the beginning of 2024, this work will conclude, with one further set of building works, for which the capital has already been released.

We do not anticipate any further large capital expenditure in 2024, and maintain our required level of reserves, and the Trustees are very grateful to our Treasurer, Mrs Sally O'Shea, for keeping the museum's finances on track during a year of heavy expenditure. This is Sally's first year in the role, and she has proved invaluable, not only for her ability to keep our finances on track over the course of this year, but also because she has spent this year streamlining our day-to-day accounting procedures to make them more 'user-friendly' for the museum and those on the front line of income and expenditure. Many have overcome their fear of 'Terry the till' thanks to Sally's patient, methodical and above all kind approach to the Treasurer's role.

As a primarily volunteer-led organisation, we cannot function without our volunteers, not only in the tea-room and as stewards but also in key Trustee and management positions, and we are so lucky to have had loyal volunteers dedicating their time to these roles over the course of years. We were therefore extremely sorry that Mrs Stella Walker has now hung up her Costume Management hat, having been at the museum since it was established in 1995, and are very grateful that she is continuing in her role as a Trustee at the museum, as her knowledge and experience will be invaluable to us going forward. It was a double blow to lose at the same time Mrs Jean Longley who has in recent years been managing our group visits and helping Stella with Costume Management, and they are both missed in the day-to-day running of the museum.

Governing Document

Cavalcade of Costume Ltd was incorporated by guarantee on 7 December 1995. It has no share capital and is a registered charity. It is a not-for-profit, incorporated charity. Members of the Board of Trustees are the Directors of the company. The guarantee of each member is limited to £10.

The governing document is the Articles of Association of the company. In accordance with the minutes of the 2022 AGM, the revised Articles (drawn up in conjunction with our solicitors, Blanchards Bailey) were lodged with the Charity Commission in July 2022. These supersede the previous Memorandum and Articles, drawn up in 1995.

Accreditation

Full Registration status under the Museum Registration Scheme administered by the Council for Museums, Archives and Libraries was achieved in 2000. This was superseded by Accreditation status in 2010. The Accreditation Scheme is administered by Arts Council England and the museum was re-accredited with Full Accreditation Status on June 25th 2015. This indicates that the museum is maintaining nationally agreed standards on how it is managed, what services it offers, and how it cares for its collections, and is a key metric for obtaining grant funding. A review of our Accreditation was scheduled to take place in 2021, but was delayed as a result of the Covid-19 pandemic. We now expect the review to take place in 2024.

Board of Directors (Trustees)

The Board of Directors has overall responsibility for ensuring the effective and efficient operation of the organisation within charity law and the objects of the charitable company.

The Board met five times during the year to review the activities and finances of the company. This included four general meetings one extra meeting with Ingham Pinnock Associates, who we invited to help us with grant applications (discussed below), at which the roof repairs were also reviewed.

We were sad to lose from the Board in 2023 Ms Kathryn Reed and Ms Briana Oliver, the latter of whom moved to Australia in the early part of 2022 for a temporary secondment which has since become permanent. Ms Reed, having served the museum for several years as Administrator, has stepped back formally from her roles but informally continues to assist us with grant raising and shifts as a volunteer in the tea-room, and we are very grateful for her continued involvement. She has handed her role of Company Secretary over to Katie Godman-Sinclair, our Operations Manager.

As at 31st December 2023, our total number of Trustees is five. While this is well within our governance requirements, active recruitment of Trustees is a priority for the Board for 2024.

Risk Management

The Board of Directors continue to assess the major risks to which the company is exposed, in particular those relating to the operations and finances of the company, and reviews its systems to ensure that they mitigate exposure to the major risks. This includes, in the current climate, the risks posed by inflationary pressures.

History and Objectives of Blandford Fashion Museum

The nucleus of the museum's collection is the donated costumes, accessories and artefacts accumulated by the late Mrs Betty Penny and used, by her, to raise money for many charities. In accordance with Mrs Penny's wish for this collection (known as the Cavalcade of Costume collection) to remain intact, Lime Tree House was bought, by a benefactor, to be its permanent home and Cavalcade of Costume Ltd was established as a charity. The museum, now known as Blandford Fashion Museum, was opened in 1996. Lime Tree House is a Grade II* listed Georgian house built by the Bastard brothers after the town's Great Fire in 1731. The trustees are now responsible for Mrs. Penny's collection, together with all the items which have been donated to the museum over the past 25 years. This comprises around 6000 items pertaining to the history of dress and textiles, which range in date from the late eighteenth century to the present day.

The object of the Cavalcade of Costume Ltd is to provide, for the advancement of public education, a museum for the display of costumes, together with, from time to time, other exhibits of items of social history or educational interest.

Management and Administration

The day-to-day operational management of the Museum has been the responsibility of Katie Godman-Sinclair, our part-time Operations Manager, who took on the role in November 2022. She continues to head the Management Committee, which in 2023 has also comprised the following volunteer members:

Mrs Valerie McKinlay, as joint Tearoom and Shop Manager
Mrs Kate Hughes, as joint Tearoom and Shop Manager (until December 2023)
Mrs Rosemary England as Education Officer
Mrs Michele Corben as Volunteer Co-ordinator
Mrs Lynn Dean as Friends Secretary
Mrs Jean Longley as Group Bookings Secretary (until December 2023)
Mrs Stella Walker as Curator and Collections Manager (until December 2023)

With the retirement of a number of these key volunteers at the end of 2023, we will be considering in 2024 how to cover these duties in a sustainable manner going forward.

Volunteers

The unsung heroes of any heritage organisation are almost always their volunteers, and we are so grateful for the support and dedication of our team of volunteer stewards and tea-room staff, who all have a crucial role to play in keeping the museum open and encouraging our visitors. Alongside volunteers who work on a regular basis in the museum, we also have those who help on specific projects, such as those who come in to help with the displays over the Christmas closure, and the total number of volunteers associated with the museum is over 50. This year we have also had more work experience students and a student intern at the museum, Georgia Woodcraft, who has proved an invaluable volunteer and has spearheaded our Reminiscence boxes project.

We are keenly aware that in the current financial climate, volunteering has become more difficult for many, and we are very grateful for our dedicated pool of volunteers, and the fact that we have had several new volunteers join us in 2023 who have already proved to be crucial members of the team.

The Board of Trustees acknowledges with grateful thanks all the help given by the many volunteers who have given freely of their time during the year and without whom the Blandford Fashion Museum's activities would not be possible.

Display

Changing the displays the Blandford Fashion Museum is a major undertaking, with our artefacts rotated on and off display according to strict assessments of their condition and the amount of time that they can tolerate being mounted for.

In 2023 our new exhibition of 1920s fashion opened in one of main downstairs exhibition spaces, together with two display cabinets of accessories from this period. Upstairs, our history of sleepwear exhibition displays from the nineteenth to late twentieth centuries, including a Christian Dior dressing gown with extremely interesting provenance, as it had been hand finished in the Amish communities in America. On the landing outside this space a kimono dressing gown from the 1930s, together with nighttime accessories, is a striking companion to this exhibition.

Both exhibitions have been very popular and received positive feedback, with many using the sleepwear exhibition to reminisce about their own and their families garments. From a conservation perspective the 1920s is a difficult period to display garments from, and a great deal of effort has gone into the careful selection and mounting of the clothing in this exhibition. The sound button that plays 1920s music to accompany the visual display has also proved very popular.

As ever, we are greatly indebted to the display team, who give up their time several times a week over the closure to not only set up the new exhibitions, but to also take down the old displays and to clean in a conservation-appropriate manner all of the garments that are remaining out on display, which is a painstaking process. With the retirement of Stella at the end of 2023, we are saying goodbye to some of her team, and the Trustees would like to thank anyone stepping back from this role. We are very grateful, however, that Lynn Dean and Janet Jones are continuing in their key display team roles, and that some new volunteers have also stepped forward to help with the displays.

In 2024, curated by Katie Godman-Sinclair and Helen Walter, the museum is opening two new exhibitions, with the textiles from our Frink bequest, and a display of sportswear to coincide with the Paris Olympics. There will also be a pop-up exhibition of student work in conjunction with a Salisbury museum exhibition from January to May 2024 which will feature work by our student intern Georgia Woodcraft.

Identification and Conservation

Mindful that we are reaching storage capacity and of the need to keep our current collection in suitable conditions, the collections management team, led by Stella Walker, has made the considered decision to close the collection to new donations unless they are outstanding examples that fill a hole in the current collection and have good provenance.

One such example is an Edwardian side-saddle riding habit in excellent condition from a family in Winchester that will form a key part of our sportswear exhibition in 2024, along with a sidesaddle that was donated with the habit.

In 2023 we received a grant from the Textile Society's Museum, Archive and Conservation Award to conserve our 1920s 'Poppy' Dress, a dress from the 1920s that has one of the first commemorative poppies attached to it. Sarah Howard did an excellent job of assessing and sensitively restoring this dress, which will go on display in Autumn 2024 to coincide with our 1920s exhibitions.

For the upcoming exhibitions, major conservation projects have included the Snowy Owl scarf, which is part of the Frink bequest and is linked with objects also being exhibited at Dorchester museum this year. Minor work has been done to a number of sportswear items, including some nineteenth century jockey silks, which are also going on display for the first time in 2024.

Visitors

The number of visitors to the Museum during 2023 totalled 2233, which not only exceeded by a long way our total visitors in 2022 of 1603 but was the best year since records began. Our core demographic has always been the Senior group, but we have a growing reach among families and younger people, particularly with our renewed education programme.

Although the main increase has been in individual visitors (up over 500 year-on-year from 1209 to 1757), we have also expanded our group visits by almost 25% (from 394 to 476). We are very grateful to Jean Longley for managing to get so many groups as it forms a key part of the museum's income. This often involves visiting on days when the museum is not already open, so we would also like to thank all the other volunteers in the tea-room and costume team,.

Fund Raising & Grants

As the result of a service level agreement with Blandford Town Council, the museum receives a small annual civic grant, which was renewed in April 2022 for a further three years at £2500 a year and therefore still has two years left to run.

Aside from this, Blandford Fashion Museum is funded entirely by income generated from visitors; the tea room and shop; lecture/talks; donations; grants and visiting parties. In 2023, the museum received in addition to the service level agreement the following significant grants:

Reminiscence Box Project	£1,500
Conservation of Poppy Dress	£530

Many thanks are due to Kathryn Reed for spearheading these grant applications. Small grants were received over the course of the year from a number of individuals and groups, and we are very grateful to those who, particularly in the straitened financial conditions we find ourselves in, continue to support us with small grants that make all the difference to our day-to-day operations.

In addition to these, the museum applied for a number of other larger grants, some of which have been awarded but not yet received in 2023:

- Dorset Capital Leverage Fund - £4500 has been awarded to digitise our archive of Cavalcade of Costume slides, VCR tapes and paper materials. This covers the whole cost of the digitisation.
- Association of Independent Museums Brighter Day Scholars Grant – we have applied for, but not yet received confirmation of, an award of £1200 towards running educational workshops for sixth form students in 2024.
- Dorset Operational Support Leverage Fund – The museum has applied for, and been awarded, a sum of £9,000 per annum for core running costs over the next three years. This was awarded on the basis of an application that featured our need for an Operations Manager, and will go directly towards offsetting the increased recurring expenditure (of £12,660.00 in 2023) of employing someone in this position.
- National Lottery Heritage Fund – We took the decision in 2023 to work with Ingham Pinnock Associates, a professional grant raising company, towards a National Lottery bid. This was based on advice from a number of other institutions who have used them (they are currently working on the Corn Exchange project) and considered their advice invaluable in getting bigger funding awards. In conjunction with IPA, the museum has made an application to the National Lottery Heritage Fund for a £49,000.00, which includes money for project management that will, if awarded, cover the £3,560.00 outlay for their services. This was covered in 2023 by a direct donation to the museum, which can be recouped and put towards other projects in the museum.

Lime Tree House

The Fashion Museum Trustees are very aware of their responsibilities to maintain Lime Tree House, a Grade II* listed designed by the Bastard Brothers after the Great Fire of Blandford in 1731. The building is crucial to the collection, but in recent years has been in some need of extensive renovation, to maintain its integrity and ensure that the museum continues to have a home.

In 2022 two phases of building works to keep the building functional were completed – a project that was fully funded through grants and which we hoped would reduce the need for imminent capital expenditure.

Sadly in March 2023 a small lead roof, over the corridor outside the disabled toilet and the student resources room, failed, with a blocked internal and difficult to access lead pipe backing up onto the roof and revealing that the roof itself was no longer watertight. This led to the partial closure of the museum over the Easter holidays, and a number of investigations into the cause of the leak. A round of building work followed to address the problem but sadly in autumn 2023 the problem recurred, and the conclusion was that the roof unfortunately needed to be completely replaced, which will be completed in early 2024 along with some work to the lead flashings and tiling on adjacent portions of the roof work.

The initial investigations and works, which included new timber in the roof and substantial redecoration, sadly cost the museum £14,448.80. Of this, £6,147.80 was reclaimed through our insurance. We anticipate a further expense in 2024 of £5,892.60 which will complete a like-for-like replacement of the lead roof and flashings. This has been funded through a withdrawal from our reserves, which is discussed below.

Members of the Fashion Museum

As Secretary to the Members of the Fashion Museum, Mrs Lynn Dean is a key part of our management team and not only manages membership renewals but also organises a newsletter and events such as lectures and museum visits to keep members engaged with the museum. In 2023 she was key in our consultation about merging our Friends and Membership schemes, and thanks to her the transition has passed relatively smoothly. As of their 2023 renewals, all of our friends have also become members of the Cavalcade of Costume company, a process which we thought long and hard about as a Board of Trustees, and in which Lynn was a tireless advocate for our Friends' interests and concerns.

Our thanks go to Lynn for all her continuing work on this, which she manages to do alongside a key role on the costume and display team.

Education Activities

This year was a busy one for our education secretary, Mrs Rosemarie England, and we are delighted to say that we had a number of connections with schools again this year, including Hanford School, and a very successful exhibition of A-Level textiles work from Bournemouth School for Girls, as well as sending a representative to Ringwood Waldorf School and Ferndown Upper School. We have had a busy year as well with the handling collection, and ran a number of group workshops with this, including a whole session for Arts University Bournemouth undergraduates.

This year we have also expanded our work experience programme, with a number of students from local schools, including from Queen Elizabeth's School in Wimborne.

In 2023 we have had seven craft workshops for children during the school holidays and weekends, which is a new venture that has been increasingly popular.

Treasurer's End-of-Year Financial Report

Cash and Liquid Investment Balances: as at 31st December 2023

Main Operating Account – NatWest, Blandford	£15,792.00
Nationwide Business Instant Saver Account	£5,025.00
COIF Charities Investment Fund – Accumulation Units	£18,416.00
COIF Charities Investment Fund – Income Units	£29,721.00
Total	£68,954.00

There is a significant decrease in our cash and investment balances in 2023, from £127,252.59 at the end of 2022, a reduction of £58,658.59. This is largely accounted for by the capital expenditure paid for in 2023, ie Phase II of the building works and the repairs to the roof, that totalled £58,595.00. It is worth noting that £25,000.00 was withdrawn from our CCLA investments to meet this expenditure, resulting in a current investment value totalling £48,137.00.

In 2023, we streamlined our bank accounts in the following way:

- Barclays Friends account was closed – holding accounts with three different high street banks was decided to be difficult to manage. The remaining balance from the Barclays account was transferred into the Main Operating Account, and this money continues to be ringfenced for conservation.
- Nationwide 30-day account closed and monies transferred into the NatWest Operating account for the value of £4,862.00. This account was at a very low interest rate, and it was seen to be preferable to liquidate this account to finance the payment of the Phase II external building works rather than to withdraw further money from the CCLA investment accounts, and was done in accordance with our reserves policy on the tiers of reserve.

Income	<u>£44,920.00</u>
--------	-------------------

In 2021 Cavalcade of Costume Ltd received £44,920.00 income. This compared to £77,993.00 in 2022 and is a reduction of £33,073.00 against this figure. However, in 2023 significant grants of £6,780.00 were received, against £58,840.00 in 2022, a much larger reduction of £52,060.00. Many of the 2022 grants were money specifically raised for capital expenditure, and most of the grants in 2023 were small sums for specific projects, such as the reminiscence box grant and the textile society conservation award. We also received £6,374.00 in one-off donations that were not assigned to specific projects.

A one-off insurance claim of £6,148.00 was received towards replacing the failed lead roof. Income from dividends totalling £1,364.00 was ringfenced for conservation over the course of the year. This is slightly lower than the previous year due to the withdrawal of some money from our Income units to meet capital expenditure commitments.

In total, bank and CCLA investments amounted to £68,957.00 at year end compared to £127,252.59 in – a decrease of £58,295.59. This is largely due to the certification in 2023 of Phase II of the building works £44,146.00 and the net cost of the roof repairs to the museum of £8301.00. No significant income or expenditure was outstanding at the end of 2023, and the Trustees do not anticipate making a further withdrawal from any reserves in this period.

Turning to operational cashflow, admissions for individual visitors totalled £5,785.00, with group visits providing a further £1921.00. This totalled £7706.00, a 30% increase on the £5898.01 of 2022, of which the majority came from an increase in individual visits. Shop sales totalled £2,415.00 (up 15% on £2057 in 2022) and tearoom £7,444.00 (up 13% on £2057 in 2022).

Income from organised events – trips, talks, workshops, totalled £4,349.00. These are all now accounted for separately, with expenditure and income detailed in a way that allows us to calculate the profitability of each event. This year we have used the Art Fund as a platform to allow us to take online bookings for such events.

This means that the Recurrent Income from 2023 is actually £25,616.00, a 37% increase on the £18652.77 taken in 2022.

Expenditure	<u>£108,299.00</u>
-------------	--------------------

Total expenses of £108,299.00 vastly exceed the sum disbursed in 2022 of £84,353.82, a year in which there was also substantial capital expenditure. Capital expenditure in 2023 totalled £58,595 only an 8% increase on 2022's £53,963.79. Several substantial one-off expenditures were also incurred in this period, of £2,691.00 for digitising the Betty Penny archive, £709.00 for the reminiscence boxes, and £3560.00 for consultation with Ingham Pinnock Associates. The first two of these were covered by specific grants (the digitisation grant to be received in 2024), and the last of which formed part of the National Heritage Lottery Fund grant application of which the outcome was not yet known at the end of 2023.

Other than one-off expenditure, recurrent expenditure continues to be roughly in line with budgeted levels. Although we are in an inflationary climate, our utility spend has increased by a below peak inflation amount of roughly 7%, from £7233.46 to £7802, with rates mainly rising in Gas and Telephone services. We made a substantial saving on Publicity in 2023, as the previous year had included the printing of our brochures, of which there are still plenty in stock. Tea room costs have risen slightly in line with income. Several items were conserved in 2023, with an increased conservation cost, but this is covered by ringfenced income from Friends and the CCLA income units. It is worth noting that our ringfenced Nationwide account balance remains relatively stable, and there is scope for further conservation spending in 2024. Our major recurrent cost for this year, which accounts for the majority of the increase on 2022, is staffing costs, an anticipated rise in expenditure that formed part of the 2023 budget. This formed a major part of our successful DRSF grant (discussed above), which will help to alleviate this pressure in 2024.

After stripping out capital expenditure and conservation and one-off costs, this gave a figure for recurrent expenditure of £40,530.00 against £28,099.23 in 2022.

In sum:

Recurrent Income – 2023

£25618.00

Recurrent Expenditure – 2023

£40530.00

Shortfall:

£14,912 against £8946.86 in 2022.

As a consequence, the Trustees continue to actively look at ways and means of increasing, on a sustainable basis, recurrent income and wherever possible, managing down recurrent expenditure costs although it is clearly acknowledged that this is challenging in the current inflationary environment. As noted above, the DSRF grant will go some way towards alleviating this in 2024.

Reserves Policy

In 2022, a review of the reserves policy conducted by Mr Murray Sims set up the following Reserves Policy for Cavalcade of Costume.

There should be FOUR defined 'levels' of reserves in place at all times to cover short-term, medium- and long-term financial exigencies:

- i. A short term or 'tactical' level of reserves as is currently applied in COC today to cover any short-term setbacks in funding or cash flow difficulties. These should be maintained in our day-to-day operating account at NatWest, which is subject to immediate withdrawal as and when needed. Taking this forward, it is therefore recommended that a minimum of six months recurrent expenditure be continuously maintained as an operating balance in the NatWest current account.
 - a. This equates to £20,265.00 (rounded down), based on total recurrent expenditure in the financial year ended 31st December 2022 of £40,530.00
- ii. A second, tactical or short-term level of 'operational reserves' of between £2,500 and a maximum of £5,000.00 be maintained in a bank or building society notice account for meeting urgent short term capital expenditure typically required when effecting maintenance repairs to Lime Tree House infrastructure.
- iii. A third 'opportunistic' reserve fund be set up utilizing the funds currently maintained in our COIF, CCLA 'Accumulation Units' account – current balance +/- £18,000.00. This is to be set aside to enable COC to take advantage of future strategic development opportunities that may arise from time to time.
- iv. A fourth and final 'defense' reserve specifically designed to be long term in nature and to reduce risks posed by sudden adverse 'shocks' that may impact COC from time to time. Examples being a cessation of donations/grants (for whatever reason), sudden falls in the stock market, major adverse infrastructural failure to Lime Tree House and seen as beyond any normal day to day maintenance issues etc. In essence any event that dramatically impacts on COC's funding streams. This reserve would be drawn from our current COIF CCLA 'Income Units' whose purpose is also designed to provide a recurrent dividend income stream specifically for the use in the conservation of our costumes. Currently, COC has +/- £30,000 invested in these funds.

Monitoring of day-to-day reserves should, henceforth, fall under the responsibility of the Treasurer. Formal reporting from the Treasurer should comprise quarterly disclosures at Trustee meetings; annual report to Members through the Chair; financial disclosure in the annual accounts and bi- annual reports to the Blandford Town Council as part of our required due diligence as per the signed SLA.

Stress reporting would be triggered by any breach in a tier of reserves, and this would require an immediate communication to all Trustees by the Treasurer of the event, reasons for breach and remedial actions to address. Trustees would be required to approve these remedial actions by no later than 48 hours after the breach in reserves had been triggered/reported.

Formal disclosure to the Charity Commission would be made by the Chair and Company Secretary if the fourth line of reserve defense was breached.

In the event that the Board of Trustees determine that COC should pursue a different strategy to whatever was being followed previously or substantively change its business model, then automatically this should trigger a REVIEW of the above policies and a written statement of any changes to reserve policy that may arise from these events. In practice, this could happen if COC was to merge with another Museum or partner with another entity. Or if it received a substantial donation or grant such that the quantum of total financial resources changed significantly.

In the event that the Board of Trustees approve capital expenditure of a material amount – defined as any single capex of over £20,000 – then the Treasurer should instigate an immediate review of reserves and report back to the Board with changes arising as applicable.

In the event that the Board consider that the risk landscape has materially changed, for whatever reason, whether because of internal factors or changes in the external environment, then then this should trigger an automatic REVIEW of reserves policy with documented outcomes.

Annually and as part of the setting of the following years budget, the Treasurer should review the reserve policy and recommend any appropriate changes thereto based on assessment of: (a) past 12 months of recurrent expenditure and (b) projected next 12 months of recurrent expenditure; projected and past 12 months recurrent income streams (i.e., ignoring any one-off grants, donations etc.).

Any changes arising, should be approved separately and specifically by the Board of Trustees as part of the overall budget approval process.

In accordance with recommended advice from the Charity Commission – going forward, COC will henceforth commit NOT to do the following:

- i. Use any restricted funds to provide reserves for general funds. Note – currently COC does not possess any specifically designated restricted financial assets (other than Lime Tree House of course).
- ii. Attempt to hide or reduce the appearance of reserves in their accounts; or
- iii. Retain resources received to be spent as income in, for example, a designated fund or in reserves for the sole purpose of generating future income.

Release of Reserves 2023

As a consequence of the Capital Expenditure payments that fell due in 2023, the museum was required to release some of its reserves. This was conducted in the following way in accordance with our reserves policy:

1. In order to maintain the operational reserves for recurrent spending, only £14,000.00 was released from our operating account, leaving £10,000.00 for the operational reserve.
2. Our second tactical reserve, held in Nationwide for the purposes of capital expenditure, was liquidated.
3. The remainder of the money (£25,000.00) was released from the fourth tier reserve, which provides specifically for the shock of capital expenditure on this scale.

4. As per our reserves policy, formal disclosure to the Charity Commission was made by the Chair and Company Secretary that this fourth line of reserve defence had been breached.
5. A temporary spending freeze was imposed on the museum while a review of our reserves and an audit of spending was conducted by the Chair, Treasurer and Company Secretary. This review of reserves was presented to the Board of Trustees.

At the end of 2023, our operational reserves had recovered slightly to £15,792.00, above the operational reserve set out in the 2022. A priority for 2024 is to continue to rebuild these depleted reserves where possible.

Investment Policy

The Trustees have from time to time taken sounding and advice from finance/investment professionals on the placing of The Museum's surplus liquidity and have determined that, for the time being, the investments operated by the CCLA represent the most prudent approach to sound placement of funds. CCLA are one of the UK's largest charity fund managers according to the latest Charity Finance Survey. Managing investments for charities, religious organisations and the public sector, their products and services have a strong long-term performance record, are fairly priced, are managed responsibly and address, specifically, the particular needs and challenges facing charity investors.

Gifts of Physical Assets

The Board acknowledge the generosity of individuals, who have expressed the wish that they remain anonymous, who have given physical assets to The Cavalcade of Costume Ltd. The values of the items, which are not material, do not appear in the Financial Statements

Statement of Director's Responsibilities

Charity law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of its financial activities for that period and adequately distinguish any material, special trust or other restricted fund of the charity. In preparing those financial statements, the Directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. state whether the policies adopted are in accordance with the appropriate SORP on Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
4. prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Closing Statement

The museum has weathered the covid-19 pandemic surprisingly well and come out strong financially and reputationally. We have managed to complete the necessary structural work required to secure Lime Tree House for the immediate future through an ambitious programme of grant applications, which is testament to the quality of volunteer staff that we have had at the museum.

In 2023 we are starting to develop in more detail a long-term strategy for the museum, but we believe that at the heart of this must we must remember that our strength is in our links to the community, and our amazing team of volunteers that keep us going. That the museum has made it through the last few years is only because of these dedicated individuals who have given up their time and effort whether for fundraising, stewarding, or looking after our collections. We remain confident that together we will continue to be a strong presence in Blandford and to conserve the legacy of Mrs Penny and her collection.

By Order of the Board

Chair

Dated 03rd June 2024

Appendix: Financial Statements

Account Balances as at 31st December 2023

<u>ENTITY</u>	<u>BALANCE AS AT 31.12.2022</u>	<u>BALANCE AS AT 31.12.2023</u>
NATWEST OPERATING BUSINESS ACCOUNT - BLANDFORD FASHION MUSEUM	£49080.62	£15792.00
FRIENDS OF THE FASHION MUSEUM BARCLAYS BANK CURRENT ACCOUNT	£305.00	£0.00
CCLA - COIF CHARITIES INVESTMENT FUND ACCUMULATION FUND (2021 61.88 Units, now 74.26)	£16,398.11	£18,416.00
CCLA - COIF CHARITIES INVESTMENT FUND INCOME UNITS (2,841.92 Units)	£51578.86.	£29721.00
NATIONWIDE 30-DAY ACCOUNT	£4862.00	£0.00
NATIONWIDE BUSINESS SAVER ACCOUNT	£5028.00	£5025.00
TOTAL FUNDS HELD	£127,252.59	£68,954.00

Tangible Fixed Assets

	Freehold Property	Improve to Freehold Property	Furniture & Equipment	Alarm	Total
Cost:					
As at 1 st January 2023	£230,000.00	£23,431.00	£28,768.00	£889.00	£283,088.00
Additions	£0	£0	£679.00	£0	£679.00
As at 31 st December 2023	£230,000.00	£23,431.00	£29,447.00	£889.00	£283,767.00
Depreciation:					
At 1 st January 2023	£0	£0	£25,175.00	£881.00	£26,056.00
Deprn charge for year	£0	£0	£854.00	£8.00	£862.00
Total at 31 st December 2023	£0	£0	£26,029.00	£889.00	£26,918.00
Net Book Value					
At 31 st December 2023	£230,000.00	£23,431.00	£3418.00	£0	£256,849.00
At 31 st December 2022	£230,000.00	£23,431.00	£3593.00	£8.00	£257,032.00
Stocks Held as at 31st December 2023					
Team Room Shop Stock Value at cost			£3,050.00		

Income

<u>CATEGORY</u>	<u>INCOME RECEIVED</u>	
	<u>2022</u>	<u>2023</u>
COMPANY MEMBERSHIP	£110.00	£0.00
FRIENDS OF FASHION MUSEUM	£142.00	£1,217.00
DONATIONS	£182.75	£6,374.00
GRANTS	£58,840.00	£6,780.00
INVESTMENT INCOME	£1,596.32	£1,364.00
SHOP SALES	£2,056.51	£2,415.00
TEAROOM	£6,483.65	£7,444.00
VISITORS	£4,176.39	£5,785.00
GROUP BOOKINGS	£1,721.62	£1,921.00
FRIENDS TRIP	£144.00	£150.00
RAFFLE	-	£963.00
BUILDING INSURANCE CLAIM	£500.00	£6,148.00
MISCELLANEOUS	£917.05	£0.00
MISCELLANEOUS CREDITS AND INCOME ADJUSTMENTS	£1,122.88	£0.00
ART FUND INCOME	-	£3,838.00
TALK INCOME	-	£240.00
WORKSHOP INCOME	-	£231.00
REMINISCENCE BOX INCOME	-	£20.00
SUITCASE RENTAL INCOME	-	£30.00
TOTALS	£77,993.17	£44,920.00

Expenditure

Category	Expenditure	
	2022	2023
Publicity	£6,021.40	£2827.00
Administration & Maintenance Costs	£1,813.04	£1,193.00
Cleaners Wages	£1,643.30	£1,834.00
Operations Manager	£2,000.00	£12,660.00
General Maintenance	£248.00	£1,941.00
Utilities and Rates		
Electricity	£1,490.01	£1,097.00
Water	£381.53	£380.00
Gas	£2986.98	£3,998.00
Telephone/Broadband	£552.55	£723.00
Rates	£1,248.64	£1,202.00
Alarm Maintenance	£565.75	£402.00
Financial/Accountancy		
Accountancy	£440.00	£270.00
Insurance	£2,060.20	£2,317.00
Legal Costs	£2,290.80	-
Trustee & Management Expenses	£498.19	£126.00
Display & Conservation		
Conservation	£870.46	£2,214.00
Display Costs	-	£614.00
Archiving Costs	-	£2,691.00
Computer Software	£363.35	£295.00
Miscellaneous	£776.67	-
Capex	£4,865.17	-
Depreciation	-	£862.00
Education	£269.39	£262.00
Shop & Tearoom Purchases	£3,739.94	£4,567.00
Ingham Pinnock Associates	-	£3,560.00
Refurbishment of Exterior Building		
Jordan & Faber Contract	£44,159.69	£44,146.00

Project Management Costs	£4,938.94	-
Other Costs	-	-
Roof Leak Repairs	-	£14,449.00
Organised Trips for Friends	£96.00	£1,117.00
Xmas Lunch Subsidy for Volunteers	-	£321.00
Events Costs	-	£1,522.00
Reminiscence Boxes	-	£709.00
Total	£84,328.00	£108,299.00

GENERAL UNRESTRICTED FUNDS

The funds comprise undistributed income and have been and continue to be used in the furtherance of the Charity's objectives.

RESTRICTED FUND

The freehold property, Lime Tree House is in Trust to the Cavalcade of Costume Ltd.

THE BOARD OF DIRECTORS' REMUNERATION

No member of the Board or related parties received fees or other emoluments.

BALANCE SHEET AS AT 31 DECEMBER 2023

	2022	2023
Fixed Assets		
Tangible Fixed Assets	£257,032.00	£256,849.00
Current Assets		
Stocks	£1,615.00	£3,050.00
Debtors	-	-
Cash at Hand and in banks	£59,275.62	£20,817.00
CCLA Acc. Units	£16,398.11	£18,416.00
CCLA Income Units	£51,578.86	£29,721.00
Liabilities		
Amounts Falling Due within 1 year	£1185.10	-
Net Current Assets	£128,867.59	£72,004.00
Total Assets Less Current Liabilities	£384,219.49	£328,853.00
Net Assets	£384,219.49	£328,853.00
FUNDS		
General Unrestricted	£154,219.49	£98,853.00
Restricted	£230,000.00	230,000.00
Total Funds	£384,219.49	£328,853.00

These accounts have been prepared in accordance with the micro-entity provisions and have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts show the true financial position of the Company as at 31st December 2023.

The financial statements were approved by the Board of Directors on and were signed on its behalf by:

Dr Helen Margaret Walter, Chair of the Board of Trustees