

The  
Textile  
Conservation  
Foundation

Annual Report  
for the year ended 31 July 2023

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# Company Information .....

President:	The Duke of Wellington OBE DL GE
Vice President:	Lucinda Chetwode
Trustees:	Clare Meredith ACR, Chairman Shona Malcolm CA, Treasurer (Resigned 28 Sep 2022) Tricia Bey, Treasurer (Appointed 19 December 2022) Katie Antonio Dr Mary M Brooks ACR Ian Gow (Resigned 28 September 2022) Caroline Lorimer Professor Nicholas Pearce Charlotte Rostek (Appointed 28 September 2022) Helen Wyld (Appointed 28 September 2022)
Secretary:	Clare Daly
Independent Examiner:	Andrew Niblock Henderson Loggie LLP 11-15 Thistle Street Edinburgh EH2 1DF
Bankers:	CAF Bank 25 King's Hill Avenue King's Hill, West Malling ME19 4JQ
Investment Managers:	Rathbones 1 Curzon Street London W1J 5FB
Registered Office:	The Trust Partnership 6 Trull Farm Buildings Tetbury GL8 8SQ
Correspondence Address:	PO Box 4291 Reading RG8 9JA
Charity registration number (Scotland):	SC044036
Charity registration number (England and Wales):	269430
Company registration number:	01208092

# Chairman's Report

for the year ended 31 July 2023

## The Textile Conservation Foundation

I write with one eye on the year ended 31 July 2023, but another on the past nine. I do so because, having served three terms of three years, this is my final Chairman's report.

Nostalgic reflections follow but I'll first review the past 12 months. A year ago there was a sense of normality, or what passes for that, being steadily resumed after the tumultuous period of the COVID pandemic. And that steady resumption and increase in activity has continued, and at pace.

## TCF and The Kelvin Centre

The Textile Conservation Foundation (TCF) exists to support education and research in textile conservation and does so primarily through the provision of bursaries for the University of Glasgow's MPhil Textile Conservation programme, based at The Kelvin Centre for Conservation & Cultural Heritage. The Centre also encompasses the MLitt Technical Art History and MLitt Dress & Textile History. Professor Christina Young recently led a successful bid to the Arts & Humanities Research Council resulting in the Centre being equipped with £415,000 state-of-the-art technical analytical instrumentation.

This is the context within which TCF works: focussing on fundraising for bursaries for the MPhil Textile Conservation students and working closely with Kelvin Centre teaching staff whom we support as, where and however we can.

## Celebrating Achievement

Achievement comes in many forms: dynamic developments at the Kelvin Centre speak for themselves but individual achievements this year are just as exciting. As I write, the 2022 intake of students are undertaking their summer placements, which this year have been in Colonial Williamsburg, Virginia, USA; the British Museum and British Library, London; Zenzie Tinker Conservation, Brighton; and the National Trust Textile Conservation Studio, Blickling, Norfolk. On 27 September these students presented overviews of their placements to their peers and tutors, and TCF Trustees. There is such satisfaction in seeing students, who 12 months before had

only just embarked on their MPhil studies, standing in front of a well-informed audience confidently reviewing all they learned and experienced on their placements. There are also the annual awards: TCF's 2023 Karen Finch Prize to Scarlet Faro, the Woolmens' Silver Medal to Tabitha Gibbs and the Weavers of Anderston Prize (to a First Year student) to Olga Sofia Calvo Diaz. A special mention too for Marina Herreriges, 2020 MPhil graduate who is now embarking on PhD research at the Centre and is the recent recipient of Icon's prestigious Marsh Early Career Award.



*Left: Scarlet Faro, winner of the Karen Finch Prize.*

The Kelvin Centre's annual Open Day is another form of celebration with students across the Centre's programmes meeting public, funders, and students and staff from other University departments. The Centre's programmes are show-cased with each student discussing their practical treatments or explaining the detail and application of their area of research. Look out for the May 2024 date!

## TCF Trustees and Staff

This past year has seen change through the natural rhythm of Trustees stepping down and new appointments made. It's always sad to see valued colleagues leave and at our September 2022 AGM we said farewell to Shona Malcolm, Hon Treasurer and Trustee, and Ian Gow, Trustee. Both, in very different ways, contributed greatly to the Foundation. Shona with her professional financial acumen coupled with a personal enthusiasm for students' learning and development; Ian bringing an unrivalled depth of curatorial knowledge of Scotland's decorative arts and historic buildings. Our thanks to both.

Together with other Trustees remaining in post - Caroline Lorimer, Katie Antonio, Professor Nick Pearce and Dr Mary Brooks – I welcomed two new Trustees elected at our September 2022 AGM: Helen Wyld, Senior Curator of Historic Textiles at National Museums Scotland, and Charlotte Rostek, of The Buccleuch Living Heritage Trust. We benefit already from their expertise and judgment and thank them for their shared commitment to our work.

Finding the right Hon Treasurer took a little longer but, in December 2022 at an EGM, we were delighted to appoint Tricia Bey. Tricia's current service includes being a Co-opted Committee member (Major Capital Projects) at the National Galleries of Scotland and Deputy Chair of Court at the University of Dundee. Enlightened direction coupled with sound governance are in place for the future with Tricia's appointment, and Professor Pearce is ready to take on the next Chairmanship at our AGM on 3 October 2023.

The Foundation also has two staff: Consultant, Nell Hoare, and Company Secretary, Clare Daly. Both have a long and much-valued history with TCF and their corporate knowledge, in addition to delivery of their actual roles, proves invaluable time and again. We thank Nell for astonishing fundraising performance against the odds and Clare for ensuring the Foundation's governance is scrupulously compliant and accountable. The Foundation's thanks go to both for their professionalism, endless patience and good humour.



*Helen Wyld*



*Charlotte Rostek*



*Tricia Bey*

## Looking Further Back, Briefly

The past nine years on my watch have seen great change and, with it I'm glad to report, great progress. It was however 14 years ago, in 2009, that the then Centre for Textile Conservation & Technical Art History (CTC&TAH) relocated from The University of Southampton's Winchester campus to the University of Glasgow. Under the leadership of Professor Frances Lennard, her team rapidly established

the relocated Centre in Glasgow. The continuing exceptional academic rigour of the course, combined with intensive hands-on practical experience, was swiftly recognised and the course continued to thrive. Professor Lennard retired in 2021 and is now an Honorary Professorial Research Fellow.

The next significant logistical upheaval was the relocation in 2021 of the Centre's labs and workrooms from the beleaguered Robertson Building on Dumbarton Road to Kelvin Hall, about 5 minutes' walk away, on Argyle Street. Professor Christina Young led the move to the now rebranded Kelvin Centre for Conservation & Cultural Heritage, in a building shared with Glasgow Life, the National Library of Scotland and the University. Thanks to the energy and efforts of Centre staff, the first and second year workrooms quickly became efficiently operational with everyone benefiting from improved conditions and enhanced technical facilities.

Further exciting plans are now in the pipeline, including the launch of a post-graduate Book & Paper Conservation programme in September 2024 and the Kelvin Centre's forthcoming bid to be part of a UK-wide network network of facilities and expertise in conservation and heritage science.

## My Final Thanks

Funding motivated students is a great privilege, especially when they flourish during their studies and progress to even greater things. I will continue to follow their professional adventures and developments with keen interest.

Thank you to these students' tutors, the exceptional academic colleagues who lead and run the Kelvin Centre's programmes. Each and everyone of you has made collaborations with TCF work seamlessly and I have much enjoyed working with you all.

It has been such a pleasure to work over the past nine years with so many accomplished and knowledgeable TCF Trustees all of whom generously bring their expertise and commitment to the table. Thank you all, I have learned so much from you and have relished your fun and collegiality.

We could not have achieved all that we have without the wonderful support of our many generous funders who continue to support and encourage us, as well as follow their beneficiaries' progress. My sincere thanks to all of them.

My final thanks to those behind-the-scenes wizards: Clare Daly, TCF Company Secretary, who keeps us all on track and in line and who has been my safety net throughout my time as Chairman. And my final thanks to Nell Hoare who, since the Centre moved to Glasgow in 2009, has single-handedly raised over £2.4m – an astonishing achievement for which 'thank you' doesn't start to reflect the Foundation's indebtedness. What a pleasure it has been to work with you.

Thank you all, and onwards.



**Clare Meredith ACR FIIC**  
**Chairman**



# Trustees' Annual Report

## for the year ended 31 July 2023

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st July 2023. The Trustees' Report also represents the Directors' Report as required by the Companies Act 2006.

Legal and administrative information for the Textile Conservation Foundation, its Trustees and advisors are set out on page 2 and forms part of this report.

### Objectives and Activities

#### The objects of the Charity are:

1. To promote for the public benefit the conservation, restoration and understanding of tapestries, dress, embroidery and other textile objects of historic, cultural or artistic value ("Textiles");
2. To promote the provision of a permanent organisation to co-ordinate and improve the knowledge, methods and working standards needed to protect and preserve Textiles for the benefit of the public, and to educate and train persons in the conservation and restoration of Textiles; and
3. To support other persons and organisations to promote the research into methods and techniques for conserving and restoring Textiles and to publish the results of such research.

The Trustees have reviewed these objectives and activities of the charity against the public benefit guidance issued by the Charity Commission and Office of the Scottish Charity Regulator (OSCR), and are satisfied that their requirements are being met through ensuring that textile conservation methods and techniques are passed on, in particular by giving financial support to students to study in this area and by supporting research projects which develop those methods and techniques.

### Structure, Governance and Management

The Textile Conservation Foundation is a registered charity (Nos. 269430 and SC044036) and a company limited by guarantee (No. 1208092). The governing document is the Memorandum of Articles of Association dated 17th April 1975. There are eight Trustees of the charitable company, their details are set out on page 2 of this report.

As set out in the Articles of Association there may be up to 12 Trustees, including one Chairman and one Treasurer. The Trustees are gathered from diverse backgrounds bringing with them a wide range of experience and skills. One third of the Trustees retire annually at the Annual General Meeting and may be eligible for re-election. The Trustees have the power to appoint any person as an additional member of the Board of Trustees (also known as Council).

New Trustees are given an induction on the current work and future plans of the Foundation and of The Kelvin Centre for Conservation and Cultural Heritage Research. New Trustees are also briefed on the Memorandum and Articles of Association, Trustees' legal obligations under charity and company law, the decision-making process and the Foundation's financial performance. Trustees meet not less than twice yearly and the training needs of all Trustees is regularly reviewed. In

addition, many TCF Trustees take advantage each year of seminars and webinars offered by Rathbones for charity Trustee clients.

The management and control of the Foundation is vested in the Council, which has general control of all the business of the Foundation, except such business as under Statute or the Memorandum or the Articles must be expressly exercised in General Meeting. The Council is, for legal purposes, the Board of Directors of the Foundation.

The main focus of its support is the textile conservation activities of The Kelvin Centre for Conservation and Cultural Heritage Research at the University of Glasgow.

## Risk Assessment

The Trustees of the Textile Conservation Foundation acknowledge that best practice is to consider and review risks and mitigations annually. They regard the major risks for the Textile Conservation Foundation and the textile conservation group within the Kelvin Centre for Conservation and Cultural Heritage Research Centre as follows:

Nature of Risk	Impact on TCF	Impact on Centre	Short/Medium Term	Mitigation Strategies
Failure to ensure smooth staff succession and consequent continuation of Funder relationships	High	High	Short Term	Ongoing review and effective succession planning
Weakened economic outlook, leading to a reduction in reserves combined with a demand for higher bursary funding	High	High	Short/Medium	Regular meetings and review with Investment Managers and Advisors
Failure to raise sufficient funds to cover the core costs of the TCF	High	High	Medium	Regular quarterly financial projections and monitoring of unrestricted funds level along with identifying new sources of funds for the TCF
Failure to raise sufficient funds to cover bursary needs and support other developments at the Centre	High	High	Medium/Long	Increasing efforts into supporting fundraising and finding new sources of funding for the TCF and the Centre
impact of the number of non-UK students applying to the Centre and consequent increase in the level of bursary support students might require	High	High	Short/Medium	Regular review
Changes in the higher education environment in Scotland, particularly funding, which may affect students' need for bursaries	Medium	Medium	Medium	Maintaining a close relationship with the University of Glasgow
Failure to ensure the Trustees have between them the appropriate range and level of Trustee skills needed by the TCF	Medium	Medium	Medium/Long	Regular Review: identifying and appointing appropriate new Trustees; maintaining and updating the Skills Audit for Trustees
A further independence referendum resulting in a vote for independence, which would affect the ability of the Foundation to raise funds from grant funders based in England	Medium	Medium	Medium/Long	Current consensus is this is not an imminent threat. This will be reviewed within a 2 year period.
Changes in the strategic direction of the University of Glasgow	Low	Low	Medium	Maintaining a close relationship with the UoG, with the nominee Trustee, Professor Nick Pearce expected to be appointed as Chair of TCF in October 2023.

These strategies are kept under review and revised where necessary to ensure that they are the most relevant and effective means of supporting textile conservation education and research into the future.



## Achievement and Performance

The above strategies were employed successfully during the year.

The Foundation uses the income from its Endowment Fund (a Restricted fund) to augment the external bursary funding that it secures, thus enabling at least one additional student each year to be supported. The Foundation also uses its Development Fund to support strategic developments at the Centre. The Trustees are acutely conscious that such a fund will be difficult to replace in the future, so grants to the Centre from that fund are made with great care to ensure they are used to the best strategic effect.

The Trustees record their sincere thanks to all of the many Trusts, Foundations, Livery Companies and individuals that have generously supported the Foundation and the Centre during the year. These funders are listed on page 14.

## Financial Review

The results for the year are shown on pages 16 to 25. The Foundation made a surplus for the year before investment gains of £38,609 (2022: deficit of £10,580). The surplus is attributable to timing differences between grants being received and paid. The surplus combined with net investment losses of £3,815 (2022: £36,132) resulted in an increase in reserves of £34,794 (2022: decrease of £46,712) bringing the total reserves at 31 July 2023 to £1,153,125 (2022: £1,118,331).

It is the policy of the Foundation to hold sufficient monies to fund its general running costs for a rolling period of at least 12 months. At the year-end, the Foundation had free reserves of £47,129 which is in excess of 12 months' running costs.

The Trustees have appointed Rathbones Investment Management to manage a diversified portfolio of suitable investments on a discretionary basis. Rathbones was given the investment objective of achieving capital growth whilst delivering an income sufficient to support one full bursary each year.

To this end, the Charity's investment portfolio comprises holdings in a diverse group of collective investment vehicles, some focussed on income and others on capital growth. At the Trustees' instruction, Rathbones seeks to avoid investments in entities whose purposes contradict the aims of the Charity, whilst managing the portfolio on a total returns basis.

For the purpose of meeting the Textile Conservation Foundation objectives, the Trustees withdraw a sum each year to meet their planned annual bursary expenditure, which is discussed and approved by Trustees at their June meeting each year. The withdrawals may be met from income (investment income and external funds raised by the charity) or capital; where the assets are a permanent endowment, withdrawals may only be made from income.

## Plans for future periods

The plans for future periods are to:

- continue to review the management of the TCF's investment funds;
- continue to support and to monitor the progress of The Kelvin Centre for Conservation and Cultural Heritage Research in the context of the legal agreement between the Foundation and the University of Glasgow;
- continue to raise funds to support education and research in textile conservation and related fields at The Kelvin Centre for Conservation and Cultural Heritage Research;
- appoint, as necessary, new trustees to fill vacancies and to cover skill shortages identified in the Trustees' Skills Audit.

## Reserves policy and going concern

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned expenditure. The Board is satisfied that the current level of reserves is adequate and as such is satisfied that the charity is a going concern. In reaching this conclusion the Board has considered a period of one year from the date the accounts are being signed.

## Related parties

None of the Board receives remuneration from his or her work for the charity. All Trustees are required to declare any conflict of interests or related party interests at each meeting. In the current year no conflicts of interest or related parties were reported.

The charity has a close relationship with the University of Glasgow as the Foundation's primary focus is to support students and research work at the Kelvin Centre for Conservation and Cultural Heritage Research at the University.

## Trustees' responsibilities in relation to the financial statements

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at the time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's Independent Examiners are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Independent Examiners are aware of that information.

## Independent Examiner

Andrew Niblock of Henderson Loggie LLP has agreed to offer himself as Independent Examiner of the charitable company.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime under Part 15 of the Companies Act 2006.

Approved by the Trustees and signed on their behalf on 3 October 2023 by:

**Clare Meredith ACR FIIC**  
**Chairman**

The Trustees consider there to be no ultimate controlling party.

# List of Donors for the year ended 31 July 2023

The Trustees of the Textile Conservation Foundation are indebted to all those who support the Foundation's activities, particularly the following Trusts and Foundations that generously provided financial support for bursaries, equipment and other projects during the year. In some cases the funds were received in the previous financial year but were used to benefit students in 2022/23 and so are included here.

Arts Society

Aurelius Trust

Binks Trust

The Clothworkers' Company

Coats Foundation Trust

The Drapers' Company

Dulverton Trust

Elizabeth Frankland Moore and Star Foundation

Inchcape Foundation

M V Hillhouse Trust

Morrison Foundation

Anna Plowden Trust

Radcliffe Trust

Scouloudi Foundation

South Square Trust

Barbara Whatmore Trust

# Independent Examiner's Report to the Trustees of The Textile Conservation Foundation

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I report on the financial statements of the charitable company for the year ended 31 July 2023 which are set out on pages 16 to 25.

This report is made to the Trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law I do not accept or assume responsibility to anyone other than the charity and the Trustees, as a body, for my work or for this report.

## Respective responsibilities of the Trustees and examiner

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 ("the 2005 Act") and the Charities Accounts (Scotland) Regulations 2006 (as amended) ("the 2006 Regulations"). The charity's Trustees consider that the audit requirement of Regulation 10(1)(d) of the 2006 Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the 2005 Act and to state whether particular matters have come to my attention.

## Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the 2006 Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts.

## Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Regulations; and
  - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Regulations;have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Andrew Niblock**  
**Henderson Loggie LLP**  
**28th September 2023**



# Statement of Financial Activities for the year ended 31 July 2023

	Notes	Restricted Funds 2023 £	Designated Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
<b>Income from:</b>						
Donations	3	150,848	-	6,775	157,623	169,362
Investments	4	15,235	-	10,633	25,868	24,029
<b>Total income</b>		<b>166,083</b>	<b>-</b>	<b>17,408</b>	<b>183,491</b>	<b>193,391</b>
<b>Expenditure on:</b>						
Raising funds	5	(7,395)	-	-	(7,395)	(7,955)
Charitable activities	6	(114,780)	(5,317)	(17,390)	(137,487)	(196,016)
<b>Total expenditure</b>		<b>(122,175)</b>	<b>(5,317)</b>	<b>(17,390)</b>	<b>(144,882)</b>	<b>(203,971)</b>
Net (losses) / gains on investments	8	(3,815)	-	-	(3,815)	(36,132)
<b>Net income / (expenditure)</b>		<b>40,093</b>	<b>(5,317)</b>	<b>18</b>	<b>34,794</b>	<b>(46,712)</b>
Funds brought forward		836,395	234,825	47,111	1,118,331	1,165,043
<b>Funds carried forward</b>		<b>876,488</b>	<b>229,508</b>	<b>47,129</b>	<b>1,153,125</b>	<b>1,118,331</b>

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

# Balance Sheet at 31 July 2023

	Note	2023 £	2023 £	2022 £	2022 £
<b>Fixed assets</b>					
Investments	8		909,688		920,487
<b>Current assets</b>					
Cash at bank and in hand		249,038		201,937	
Debtors	9	142		-	
<b>Creditors:</b> amounts falling due within one year	10	(5,743)		(4,093)	
<b>Net current assets</b>			243,437		197,844
<b>Total net assets</b>			1,153,125		1,118,331
<b>Funds</b>					
Restricted funds –					
General			697,728		684,504
Revaluation reserve			178,760		151,891
	11		876,488		836,395
Designated funds	12		229,508		234,825
Unrestricted funds	12		47,129		47,111
			1,153,125		1,118,331

The Trustees are satisfied that for the year in question, the charitable company was entitled to exemption from an audit under section 477 of the Companies Act 2006 and that the members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime under Part 15 of the Companies Act 2006.

The financial statements were approved by the Council on 3rd October 2023.

**Clare Meredith ACR**  
**Chairman**

Company No: 01208092





# Statement of Cash Flows

## for the year ended 31 July 2023

	2023 £	2022 £
<b>Net cash inflow/(outflow) from operating activities</b> <i>(note 15)</i>	<b>14,249</b>	(32,102)
<b>Investing activities:</b>		
Payments to acquire investments	<b>108,488)</b>	(45,020)
Proceeds for disposals on investments	<b>120,628</b>	40,320
Investment income	<b>25,868</b>	24,029
<b>Net cash inflow from investing activities</b>	<b>38,008</b>	19,329
<b>Increase/(decrease) in cash</b>	<b>52,257</b>	(12,773)
<b>Opening cash and cash equivalents</b>	<b>211,755</b>	224,528
<b>Closing cash and cash equivalents</b>	<b>264,012</b>	211,755
<b>Analysis of cash and cash equivalents</b>		
Cash at bank	<b>249,038</b>	201,937
Cash held by the investment manager	<b>14,974</b>	9,818
<b>Total cash and cash equivalents</b>	<b>264,012</b>	211,755

# Notes on the Financial Statements

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## 1. Accounting policies

### 1.1 Accounting conventions

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP FRS102), applicable accounting standards and the Companies Act 2006. The charity meets the definition of a public benefit entity under FRS102.

The charity has sufficient free reserves to continue in operation for a minimum of 12 months. Therefore the accounts have been prepared on a “going concern” basis.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

### 1.2 Incoming resources

Income from donations, bursaries and grant income are recognised where there is entitlement, reasonable probability of receipt and the amount can be measured with sufficient reliability, except as follows:

When donors specify that donations, bursaries and capital income given to the charity must be used in future accounting periods, the income is deferred until those periods.

When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations, bursaries and grant income, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

### 1.3 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

### 1.4 Investments

Investments are stated at market value. Unrealised gains and losses on revaluation and realised gains and losses on sales of investments arising during the year are retained in the relevant fund.

### 1.5 Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

## 2. Taxation

The company is recognised by HM Revenue and Customs as a charity for the purposes of the Corporation Tax Act 2010 part 11 and is exempt from income and corporation tax on its charitable activities.

## 3. Income from donations

	Restricted Funds £	Unrestricted Funds £	Total 2023 £	Total 2022 £
Bursary income	142,475	-	142,475	132,350
Grant income	8,373	6,775	15,148	32,750
Donations	-	-	-	4,262
	<u>150,848</u>	<u>6,775</u>	<u>157,623</u>	<u>169,362</u>

Details of the donors in the year are shown on page 14. For the year ended 31 July 2022 £162,350 of income was restricted and £7,012 was unrestricted.

## 4. Income from investments

	Restricted Funds £	Designated Funds £	Unrestricted Funds £	Total 2023 £	Total 2022 £
Income from listed investments	15,235	-	9,214	24,449	23,743
Bank interest	-	-	1,419	1,419	286
	<u>15,235</u>	<u>-</u>	<u>10,633</u>	<u>25,868</u>	<u>24,029</u>

For the year ended 31 July 2022 income from investments was split: £14,193 restricted and £9,836 unrestricted.

## 5. Expenditure on raising funds

	Restricted Funds £	Designated Funds £	Unrestricted Funds £	Total 2023 £	Total 2022 £
Investment manager's fees	7,395	-	-	7,395	7,955
	<u>7,395</u>	<u>-</u>	<u>-</u>	<u>7,395</u>	<u>7,955</u>

For the year ended 31 July 2022 all expenditure on raising funds was restricted.

## 6. Expenditure on charitable activities

	Restricted Funds £	Designated Funds £	Unrestricted Funds £	Total 2023 £	Total 2022 £
Bursaries	109,250	-	-	109,250	116,350
Grant awards	5,530	5,317	-	10,847	67,593
Support costs:					
Employee salary	-	-	7,265	7,265	4,488
Consultant costs	-	-	4,438	4,438	2,563
Other costs	-	-	2,191	2,191	1,772
Governance costs:					
Independent examiner's fee	-	-	3,496	3,496	3,250
	<b>114,780</b>	<b>5,317</b>	<b>17,390</b>	<b>137,487</b>	<b>196,016</b>

For the year ended 31 July 2022 expenditure on charitable activities was split £182,693 restricted, £1,250 designated and £12,073 unrestricted

## 7. Key management remuneration and trustees' expenses

The charity has one part-time employee (2022: *one part-time employee*) who is considered key management of the organisation and their remuneration is as disclosed in note 6. No employee earned more than £60,000. There was no employer social security or pension costs in the year.

Trustees received reimbursement of travel expenses of £Nil during the year (2022: £Nil). No Trustee received any remuneration.

## 8. Investments

	2023 £	2022 £
<b>Market value</b>		
At 1 August 2022	910,669	942,101
Additions at cost	108,488	45,020
Disposal proceeds	(120,628)	(40,320)
	)	
Net (losses) on investments	(3,815)	(36,132)
	<b>894,714</b>	<b>910,669</b>
At 31 July 2023	14,974	9,818
Cash deposits		
	<b>909,688</b>	<b>920,487</b>
<b>Historic cost at year end</b>	<b>730,928</b>	<b>719,645</b>

For the years ended 31 July 2023 and 31 July 2022 all losses on investments related to restricted funds.

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

- Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Market risk: this comprises currency risk, interest rate risk and other price risk.
- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The charitable company has exposure to these risks because of the investments it makes to implement its investment strategy. The Trustees manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the charitable company's strategic investment objectives. These investment objectives and risk limits are implemented through the investment manager agreements in place with the charitable company's investment managers and monitored by the Trustees by regular reviews of the investment portfolios.

Further information on the Trustees' approach to risk management and the charitable company's exposure to credit and market risks are set out below.

### **Credit Risk**

The charitable company invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

### **Analysis of direct credit risk**

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled manager operates and diversification of investments amongst a number of pooled arrangements. The Trustees carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager. Pooled investment arrangements used by the charitable company comprise authorised unit Trusts.

### **Currency risk**

The charitable company is subject to currency risk because some of the charitable company's investments are held in overseas markets.

### **Interest rate risk**

The charitable company is subject to interest rate risk through investments comprising bonds.

### **Other price risk**

Other price risk arises principally in relation to equities held in pooled vehicles. The charitable company manages this exposure to other price risk by constructing a diverse portfolio of investments across various markets.

## 9. Debtors

	2023 £	2022 £
Prepayments and accrued income	142	-
	<u>142</u>	<u>-</u>

## 10. Creditors: Amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	5,743	4,093
	<u>5,743</u>	<u>4,093</u>

## 11. Restricted funds

2023	At 1 August 2022 £	Incoming resources £	Outgoing resources £	Investment losses £	Transfers between funds £	At 31 July 2023 £
Bursaries	113,378	157,710	(109,250)	-	-	161,838
Grants	1,157	8,373	(5,530)	-	-	4,000
Capital Endowment	721,860	-	(7,395)	(3,815)	-	710,650
	<u>836,395</u>	<u>166,083</u>	<u>(122,175)</u>	<u>(3,815)</u>	<u>-</u>	<u>876,488</u>
2022	At 1 August 2021 £	Incoming resources £	Outgoing resources £	Investment losses £	Transfers between funds £	At 31 July 2022 £
Bursaries	83,185	146,543	(116,350)	-	-	113,378
Grants	37,500	30,000	(66,343)	-	-	1,157
Capital Endowment	765,947	-	(7,955)	(36,132)	-	721,860
	<u>886,632</u>	<u>176,543</u>	<u>(190,648)</u>	<u>(36,132)</u>	<u>-</u>	<u>836,395</u>

The Bursaries Fund represents specific grants and bursaries received for students.

The Capital Endowment Funds are made up of two funds, the income generated from one of the funds is used to support the Foundation's bursary funding. Income from the other fund is available for use at the Trustees' discretion and included within unrestricted income. It was spent in the year to support bursary funding, other grants and general running costs of the charity.

The Grants Fund represents specific grants and donations towards special projects, equipment or research.



## 12. Unrestricted funds

<b>2023</b>	At 1 August 2022 £	Incoming Resources £	Outgoing Resources £	Investment gains £	Transfers between funds £	At 31 July 2023 £
General funds	47,111	<b>17,408</b>	<b>(17,390)</b>	-	-	<b>47,129</b>
Designated - Development Fund	234,825	-	<b>(5,317)</b>	-	-	<b>229,508</b>
	<u>281,936</u>	<u><b>17,408</b></u>	<u><b>(22,707)</b></u>	<u>-</u>	<u>-</u>	<u><b>276,637</b></u>
	<u><u>281,936</u></u>	<u><u><b>17,408</b></u></u>	<u><u><b>(22,707)</b></u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u><b>276,637</b></u></u>
<b>2022</b>	At 1 August 2021 £	Incoming Resources £	Outgoing Resources £	Investment gains £	Transfers between funds £	At 31 July 2022 £
General funds	42,336	16,848	(12,073)	-	-	47,111
Designated - Development Fund	236,075	-	(1,250)	-	-	234,825
	<u>278,411</u>	<u>16,848</u>	<u>(13,323)</u>	<u>-</u>	<u>-</u>	<u>281,936</u>
	<u><u>278,411</u></u>	<u><u>16,848</u></u>	<u><u>(13,323)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>281,936</u></u>

Development fund - designated for use in supporting the textile conservation education and research activities of the Centre for textile and other materials conservation.

## 13. Analysis of group net assets between funds

<b>2023</b>	Restricted Funds 2023 £	Designated Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £
Investments	<b>809,688</b>	<b>100,000</b>	-	<b>909,688</b>
Current assets	<b>67,957</b>	<b>129,508</b>	<b>51,715</b>	<b>249,180</b>
Creditors	<b>(1,157)</b>	-	<b>(4,586)</b>	<b>(5,743)</b>
	<u><b>876,488</b></u>	<u><b>229,508</b></u>	<u><b>47,129</b></u>	<u><b>1,153,125</b></u>
	<u><u><b>876,488</b></u></u>	<u><u><b>229,508</b></u></u>	<u><u><b>47,129</b></u></u>	<u><u><b>1,153,125</b></u></u>
<b>2022</b>	Restricted Funds 2022 £	Designated Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £
Investments	820,487	100,000	-	920,487
Current assets	15,908	135,170	50,859	201,937
Creditors	-	(345)	(3,748)	(4,093)
	<u>836,395</u>	<u>234,825</u>	<u>47,111</u>	<u>1,118,331</u>
	<u><u>836,395</u></u>	<u><u>234,825</u></u>	<u><u>47,111</u></u>	<u><u>1,118,331</u></u>

## 14. Financial instruments

	2023 £	2022 £
Financial assets measured at fair value through profit and loss.	909,688	920,487

Financial assets measured at fair value are listed investments.

## 15. Cash flows from operating activities

	2023 £	2022 £
<b>Net income/(expenditure) for the reporting period as per the statement of financial activities</b>	<b>34,794</b>	<b>(46,712)</b>
(Increase)/decrease in debtors	(142)	3,000
Increase/(decrease) in creditors	1,650	(493)
Investment income	(25,868)	(24,029)
Investment losses	3,815	36,132
	<hr/>	<hr/>
<b>Net cash used in operating activities</b>	<b>14,249</b>	<b>(32,102)</b>
	<hr/>	<hr/>

## 16. Legal status of the charity

In the event of the charity being wound up, every member of the charity will contribute an amount not exceeding £1 so as to meet any excess liabilities of the charity.

## 17. Related party transactions

There were no related party transactions.

## 18. Ultimate controlling party

The Trustees consider there to be no ultimate controlling party.

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