

Charity registration number 1095077

Company registration number 04480767 (England and Wales)

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

LEGAL AND ADMINISTRATIVE INFORMATION

Executive Board	C H Ryland Esq	
	Capt (retd) R R Mullings	
	Maj (retd) G E C Woodcock	
	Lt Col (retd) R H Stephenson TD	
	Lt Col (retd) P R H Clifford TD	
	Cllr A S Hansdot	
	Lt Col A H Ayres	
	Col (retd) J F Penley OBE TD	
	S Stilwell Esq	
	Dr T J Brain OBE	
	Brig J D Daniel MBE	
	C N W Malet Esq	
	Mrs A M Malsbury	
	P T J Brooke BFP FCA	
	E King	(Appointed 15 July 2021)
	S Fenn	(Appointed 15 July 2021)
Secretary	M. Holden	
Charity number	1095077	
Company number	04480767	
Principal address	The Custom House Gloucester Docks Gloucester GL1 2HE	
Registered office	The Custom House Gloucester Docks Gloucester GL1 2HE	
Independent examiner	Pitt Godden & Taylor LLP Unit 3 Ambrose House Meteor Court Barnett Way Barnwood Gloucester GL4 3GG	

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

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THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

EXECUTIVE BOARD'S REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The Executive Board present their report and accounts for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements (pages 11 to 13) and comply with the Charity's governing document, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

In summary form, the objects of the Charity as set out in the Memorandum of Association are:

- to advance the education of the general public regarding the historic activities of soldiers associated with Gloucestershire and its surrounding areas and particularly those who have served with The Gloucestershire Regiment, The Royal Gloucestershire Hussars, The Royal Gloucestershire, Berkshire and Wiltshire Regiment and their antecedents or any legal successor units or subunits (current successor units being The Rifles and The Royal Wessex Yeomanry), by the collection, preservation, maintenance, restoration and display of uniforms, medals, pictures, books, manuscripts, maps, documents, equipment, machinery and all other materials related to these soldiers, their units and their historic activities.
- to provide a memorial to all those who have served in the Armed Forces of the Crown and particularly to recognise those who have died or suffered physical or mental disability as a result of their military service.

Specifically, the Charity carries out these objects by:

- the provision and maintenance of museum premises to exhibit the regimental collections to the general public through both permanent displays and temporary exhibitions which tell the historic context and the stories behind the items in the collections. The Charity also provides an archive, a café and a shop selling associated books, souvenirs and other items. It also delivers a range of educational programmes to schools and other organisations and in addition has a website containing digitised images of the collections, together with other related information and research materials. The website also facilitates sales through an online shop.
- providing, where resources permit, information to the general public from the archives in response to specific queries principally about individuals who have served in the regiments.

Public Benefit Statement

In planning and supervising the Charity's activities for the current year and in planning its activities for future years, the Executive Board has kept in mind the Charity Commission's guidance on public benefit.

This year, with the abatement of the COVID-19 pandemic, the Charity has been able to return to its main activity of providing the museum which reopened to the general public on 21 May 2021. It was also able to resume the further development and delivery of educational programmes to schools and others. A major focus of the year has also been leading the organisation of and participating in various events to mark the 70th anniversary of the Battle of the Imjin River in the Korean War.

In addition to its own fund-raising activities which results in donations direct to the Charity, in previous years we have been supported by the separate Friends of the Soldiers of Gloucestershire Museum Trust which has historically provided financial support to the Charity in carrying its activities. This year as during the previous year due to the pandemic, the Friends activities have also sadly had to be curtailed. On the positive side the Charity has benefited significantly from HM Government's various schemes to provide financial support to businesses, particularly those in the hospitality sector and through grants from the National Heritage Lottery Fund, from Gloucester City Council and also from other donors.

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

EXECUTIVE BOARD'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

To achieve the Charity's objectives now and into the future, the Executive Board had previously identified six main strategic priorities, including a Financial Sustainability Programme. The progress this year against these priorities is as set out below:

1. Caring for the Collections

The Charity does not own any historic artefacts but instead manages the collections of the Gloucestershire Regiment Museum Trust and the Royal Gloucestershire Hussars Trust. These collections have been deposited with the Charity under the terms of long-term loan agreements. The management and care of the collections is conducted under a formal Collections Management Policy and the Museum is accredited by the Arts Council. This accreditation will be due for renewal in November 2022.

Under the managerial oversight of the Museum, new items are being added to the collections each year and the Executive Board are very grateful to donors, who are often the families of soldiers who served with the regiments.

2. Displaying the Collections

The Museum displays were last refreshed in 2013/14 as a result of a significant grant from the Heritage Lottery Fund. In addition, the City of Paju in the Republic of Korea (South Korea) made a grant to the Charity of approximately £92,000 which helped to make possible the establishment of a permanent gallery in the Museum devoted to the Korean War and the Battle of the Imjin River. As a result, the Executive Board considers the Museum displays remain fit for the purpose they were originally designed for.

Looking into the future, the Executive Board are currently undertaking an ongoing review to see what changes should be made to the ways in which the Museum display the Collections. In particular this review is seeking to understand how the military involvements of the various regiments, having been deployed throughout the world over the past 300 years, can be portrayed in positive ways that nonetheless represent a full 360-degree view of history and thereby seek to engage all sectors of the British public, including those communities who historically have not engaged with heritage.

The Executive Board is also mindful that, with the current strategic pivot to the Asia / Pacific region, there is a growing focus on the Anglo / South Korean relationship and yet our Korean gallery remains the only significant museum display in the UK that addresses the events of the Korean War. In consequence, the Trustees believe that the Korean War is a subject that merits greater space in the future. As the Museum is currently constrained by available space within its galleries, any significant changes to the way the displays are configured as outlined above will result in a need to expand the building's capabilities.

3. Conducting Educational Programmes

It had not been possible to continue to deliver our Educational Programmes to schools during the pandemic. The museum reopened in May 2021 and we then started to reengage schools. However, as school timetables are organised on an academic year basis, this effectively ruled out such visits until September 2021 after which numbers started to pick up. To stimulate this trend in the forthcoming academic year (from September 2022) we have now formed partnerships with Gloucester Cathedral (within a short walk) and the National Waterways Museum (also located in Gloucester Docks) to offer joint visits and to give schools an enriched programme.

4. Developing the relationship with the Republic of Korea and its people

Due to the conspicuous role played by 1st Battalion the Gloucestershire Regiment as part of the UN Forces during the Korean War in defending South Korea, we are in a unique position to foster this international relationship. As 2021 marked the 70th anniversary of the Battle of Imjin River, we organised a series of events under the auspices of the Imjin 70 Committee, whose membership was drawn from our trustees and also from the wider community to represent the county at large. In late August and as part of

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EXECUTIVE BOARD'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

the festival 'Gloucester goes Retro', the museum hosted a Korean village with food, stalls and cultural events, including dancing in traditional Korean costume, all organised in conjunction with the Korean Embassy and their expatriate community in the UK which is largely based in south London.

At the Gloucester History Festival in mid-September, there was a lecture by Dan Snow on the battle and the Korean War more generally and the following day there was the World Premiere of a film 'Imjin – 70 years on' made specially for the museum and sponsored by Babcock International with further financing from the fund-raising efforts of Maurice Brisland whose great uncle had fought with the 'Glosters' at the Imjin River. To both Babcock International and Maurice Brisland, we offer our most grateful thanks. Discussions are ongoing as to how best to use this film.

On Saturday 25 September 2021 there was also a formal dinner at ARRC with a memorial service at Gloucester Cathedral organised by The Rifles the following day. Both these events were attended by our Royal Patron, the Duke of Gloucester and a full delegation from the Korean Government led by their Minister of Veterans Affairs who had flown to the UK specially to attend. It is also noteworthy that the service was attended by many of the expatriate Koreans and was watched over the internet by many more from South Korea itself, despite the eight-hour time difference.

Finally we should record here that the Remembrance Day commemorations at the Cenotaph in London on Sunday 14 November 2021 included a march-past by an Imjin Guard of ninety eight Gloucestershire Regiment veterans including a very small number of veterans of the Battle of the Imjin River itself.

5. Achieving Financial Sustainability

Historically the Ministry of Defence (MOD) provided support to the Charity in the form of free services and the payment of certain running costs totalling approximately £60,000 per annum. Following cuts to the UK Defence budget, support to the museum, and also to other regional military museums, was withdrawn during 2017. In its place the trustees of the Royal Gloucestershire, Berkshire and Wiltshire Regimental Trust agreed to provide the Charity with a grant of £60,000 per annum for five years.

In response to the longer-term financial challenge this posed, a new five-year Business Plan was developed and came into force on 1 November 2018. The key objective of this Plan was to achieve financial sustainability on the basis of the Charity's operations excluding grants and donations by the end of the five-year period. The Plan involves developing existing activity streams; visitor admissions, the shop, the café and adding new ones; educational programmes and talks, licenced bar and members' nights, room hire and two new memberships schemes, one for individuals and one for corporates. During the year and despite the pandemic, strides continued to be made towards achieving the financial objectives of the Plan which perforce has now become a seven-year one and the Charity has been able to strengthen its reserves this year, largely through the results of the Imjin 70 activities, cost savings measures and as a result of UK Government support.

The role of our Museum Director is an absolutely key one for many reasons including our achieving our goal of financial sustainability. At this point we need to record that our Museum Director of over four years, Ms. Vicki Hopson was forced to step down in November 2021 due to a major change in her family circumstances. Despite this she agreed to remain in a caretaker capacity until the appointment of her successor. Following a national trawl, the trustees appointed Mr. Matthew Holden and he started in mid-March 2022. Matthew comes to the Charity very highly recommended by his previous employers in Weston-super-Mare, where he ran the town's museum, having previously held more junior posts in various museums including at the Imperial War Museum and the D Day Experience in Portsmouth. To Vicki Hopson we offer our most sincere thanks for the huge impact she has made as Museum Director and to note with satisfaction that she is able to continue on a strictly part time basis dealing with the planning of events. To Matthew Holden we extend our most warm welcome and note how quickly he has taken up the reins and is already proving to be a worthy successor.

Finally and despite the positive financial results for the year, we need to caution that the outlook remain uncertain. In common with other smaller museums, some momentum has inevitably been lost due to the pandemic and we also anticipate significant cost increases in the pipeline especially for utility services.

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EXECUTIVE BOARD'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The five-year Plan also made no assumptions about changes to the Custom House which houses the Museum. In 2018/19, the Charity was successful in obtaining a grant from the Heritage Lottery Fund under its Resilient Heritage Programme of £38,000. This grant including an architectural review of the building to;

- look at the uses that the greater space becoming available within the building will allow, including allocating significant additional space to the Korean War and to a separate Korean War archive
- create a large multi-use space for temporary exhibitions, events and for hire
- build a separate and much larger café with a full-function kitchen.

This architectural review was completed last year and resulted in the creation of draft plans to replace the current 'glass-house' fronting to the Docks with a significantly larger structure. This would expand the current shop and café area and also add the multi-use space. In addition, use would be made of the attic floor with the archives and admin offices moving into that space, thereby freeing space on the lower floors to increase the space available to the Museum. On balance the Executive Board still believes that if such changes are made possible in future years by further grants and a fund-raising programme, the role of the Museum would be greatly enhanced.

However, with the onset of the pandemic, such plans were put on hold until its impact had dissipated, and it became clearer what the future for organisations such as ours might look like. As a result, our priorities are still focussed on regaining momentum into our normal charitable activities following the reopening and now in bedding our new Operations Director. Whilst keeping the situation under review, we are still maintaining a hold on our expansion plans.

6. Making improvements to the Corporate Structure and Governance of the Charity

Last year the Executive Board recognised this as a new strategic priority with a number of related activities. The first such activity was the creation of a wholly owned trading subsidiary The Soldiers of Gloucestershire Museum Trading Limited which started trading on 1 September 2020.

Secondly during this year and following a review of the Charity's Articles of Association which had become outdated, an amended set of Articles were voted upon and approved by members at an Extraordinary General Meeting held on 9 September 2021.

Finally and although not a new priority, the Executive Board has formally recognised the need to have a membership that has an appropriate range of skills and where possible is also relatively diverse in terms of gender, ethnicity and age. All these factors will now be taken into account when recruiting new trustees.

Principal Risks and Uncertainties

The Executive Board has identified the major risks to which the Charity is exposed. These can be summarised as follows:

1. As has already been noted, the coronavirus pandemic and the consequent lockdown has introduced unforeseen difficulties in achieving our five-year Business Plan. In response to the pandemic, the museum was closed to the general public between March 2020 and May 2021. In the short term the various grants received, and other cost savings measures implemented by the Executive Board, including some staff restructuring, have ensured that the Charity has continued to strengthen its financial reserves. However it remains to be seen how quickly visitor numbers will return once the museum reopens and Government assistance falls away. The medium-term outlook must therefore be seen as being uncertain.
2. The building in which the Museum is located (the Custom House) was purchased by the Charity from the MOD in 2019. Thus the original risk of lease termination has been removed to be replaced by risks arising from the ownership of a 180 year old Grade II listed building. To mitigate this risk and prior to the acquisition, the Charity commissioned a Condition Survey of the building from a local Chartered Surveyor to understand what plannable expenditure would be necessary in the future. As a result a sum from the reserves has also been earmarked as a building maintenance fund. This issue of building maintenance was put into further spotlight by the highly localised torrential rainstorm which occurred in

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EXECUTIVE BOARD'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

August 2020 and the resulting water ingress. This caused the roof of one of the galleries to fall in. In the event the costs of repair were met by the Charity's insurers. The Charity therefore needs to be mindful of maintaining a suitable reserve in case of other unexpected contingencies.

3. The five-year Business Plan being followed aims to allow the Charity to achieve Financial Sustainability by the end of the period it covers. Were this not to be achieved the Charity would continue to be dependent on grants and donations to continue to operate.

Donations and services in kind

The Executive Board recognises that donations and services in kind, including professional services, have made a vital contributor to the overall financial wellbeing of the Charity during the year. With the reopening of the Museum in May 2021, a new team of volunteers has been successfully recruited. We would like to record formally our thanks here to all individual volunteers both past and present for their support without which the museum would not be able to function.

Achievements and performance

A summary of the Charity's main activities and achievements during the year follows:

In view of the exceptional nature of the Year, the Executive Board has concluded that providing key performance comparisons with the previous Year would be misleading. There is one exception to this which is the movement in reserves.

The main sources of income to enable the Charity to meet its objectives in the year were:

	£
Voluntary income	112,877
Museum admission fees, archive enquiries, Imjin dinner and membership.	24,481
Other	55,771
	<hr/>
	193,129
	<hr/>

Main areas of expenditure made by the Charity in the year were:

Shop and cafe	2,431
Staff Costs	60,840
Depreciation	24,810
Other	85,583
	<hr/>
	173,664
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Financial review

The Executive Board is committed to establishing revenue reserves sufficient to cover twelve months of operating costs. As at 31 March 2022, readily realisable reserves stood at £164,298 (2021 £110,983) or approximately 12 months operating costs.

The Executive Board would draw to your attention the following notes to the financial statements: note 12, Tangible fixed assets and the review of depreciation and amortisation of fixed.

Structure, governance and management

The Charity, The Soldiers of Gloucestershire Museum Ltd. (Charity number 1095077, Company number 4480767), is a company limited by guarantee. It is governed by its Memorandum and Articles of Association. The Executive Board members are both trustees of the Charity and also directors of the company for the purpose of company law. Those who served during the year and up to the date of signature of the financial statements were as follows:

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

EXECUTIVE BOARD'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

C H Ryland Esq
Capt (retd) R R Mullings
Maj (retd) G E C Woodcock
Lt Col (retd) D R Dixon OBE (Resigned 17 December 2021)
Lt Col (retd) R H Stephenson TD
Lt Col (retd) P R H Clifford TD
Cllr A S Hansdot
Lt Col A H Ayres
Col (retd) J F Penley OBE TD
S Stilwell Esq
Dr T J Brain OBE
Brig J D Daniel MBE
C N W Malet Esq
Mrs A M Malsbury
P T J Brooke BFP FCA
E King (Appointed 15 July 2021)
S Fenn (Appointed 15 July 2021)

The Executive Board of trustees of the Charity comprises: one ex officio member, four nominated members and twelve ordinary members. For the time being the ex officio member is The Rifles County Colonel for Gloucestershire. The nominated members are appointed by the trustees of The Royal Gloucestershire Hussars Trust, for a period of 4 years or, if the appointment is being made to fill a casual vacancy, the unexpired term of the appointee's predecessor. Ordinary members are appointed by the Executive Board for a period of 4 years.

Finally, the Executive Board would draw your attention to note 20 to the financial statements, giving details of transactions with related parties.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

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C H Ryland Esq
Board Member
Dated:

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

INDEPENDENT EXAMINER'S REPORT

TO THE EXECUTIVE BOARD OF THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

I report on the financial statements of the company for the year ended 31 March 2022, which are set out on pages 8 to 23.

Respective responsibilities of Executive Board and examiner

The Executive Board who are also the directors of The Soldiers Of Gloucestershire Museum for the purposes of company law, are responsible for the preparation of the accounts. The Executive Board consider that an audit is not required for this year under section 144(2) of the Charities Act 2011, the 2011 Act, and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities; have not been met .
- (b) No other matter has come to my attention in connection with my examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Nicholas J. Bishop F.C.C.A. A.C.A
Pitt Godden & Taylor LLP

Chartered Accountants
Unit 3 Ambrose House
Meteor Court
Barnett Way
Barnwood
Gloucester
GL4 3GG

Dated:

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022	Restricted funds 2022	Total 2022	Total 2021 As restated
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Voluntary income	2	94,254	18,623	112,877	157,019
Incoming resources from charitable activities:	3	24,481	-	24,481	1,771
Trading activities in furtherance of the charity's objects	4	-	-	-	36,342
Insurance monies received	5	25,000	-	25,000	-
Other income	6	30,771	-	30,771	8,235
Total income		174,506	18,623	193,129	203,367
<u>Expenditure on:</u>					
Trading activities	7	2,431	-	2,431	24,682
Charitable activities	8	149,973	14,868	164,841	184,922
Other	11	6,392	-	6,392	-
Total resources expended		158,796	14,868	173,664	209,604
Net gains/(losses) on investments	12	3,298	-	3,298	8,319
Net movement in funds		19,008	3,755	22,763	2,082
Fund balances at 1 April 2021		584,983	60,884	645,867	643,785
Fund balances at 31 March 2022		603,991	64,639	668,630	645,867

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

BALANCE SHEET

AS AT 31 MARCH 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		664,442		684,962
Investments	14		58,639		55,341
			<u>723,081</u>		<u>740,303</u>
Current assets					
Stocks	15	8,709		12,286	
Debtors	16	14,903		1,231	
Cash at bank and in hand		100,522		125,253	
		<u>124,134</u>		<u>138,770</u>	
Creditors: amounts falling due within one year	18	(9,666)		(70,742)	
Net current assets			<u>114,468</u>		<u>68,028</u>
Total assets less current liabilities			<u>837,549</u>		<u>808,331</u>
Creditors: amounts falling due after more than one year	19		(168,919)		(162,464)
Net assets			<u><u>668,630</u></u>		<u><u>645,867</u></u>
Income funds					
Restricted funds	20		64,639		60,884
<u>Unrestricted funds</u>					
General unrestricted funds		339,642		320,634	
Revaluation reserve		<u>264,349</u>		<u>264,349</u>	
			<u>603,991</u>		<u>584,983</u>
(General unrestricted funds include an unrealised investment revaluation reserve (£34,540 (2021 £31,242))			<u>668,630</u>		<u>645,867</u>

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The Executive Board acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Executive Board on

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C H Ryland Esq

Trustee

Company Registration No. 04480767

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

The Soldiers Of Gloucestershire Museum is a private charitable company limited by guarantee incorporated in England and Wales. The registered office is The Custom House, Gloucester Docks, Gloucester, GL1 2HE.

1.1 Accounting convention

The financial statements have been prepared in accordance with applicable Accounting Standards, in particular the requirements of FRS 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland), the Statement of Recommended Practice 'Accounting and Reporting by Charities' (2019), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, as modified to include the revaluation of investments.

1.2 Going concern

At the time of approving the financial statements, the Executive Board have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the Executive Board continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Executive Board in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Donations, legacies, gifts and grants, museum admission fees, shop and coffee shop sales are accounted for in the period when the conditions for entitlement, certainty and measurement are met.

Investment income is accounted for when received.

Income is measured at the fair value of the consideration received or receivable, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Liabilities recognised as resources expended are included in the period when there is a legal or constructive obligation, committing the company to the expenditure. Their allocation is as follows:

Costs of running the shop and coffee shop are included under trading activities.

Costs of running the museum and archives and the costs of the museum redevelopment (depreciation) are included under charitable activities.

Costs of examining the accounts are included under charitable activities.

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Property	Over 40 years straight line
Website	over 3 years straight line
Fixtures and fittings	Varying rates between 6 and 30 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

The investment in the subsidiary is measured at cost.

1.8 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at transaction price less impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at transaction price less impairment, where due in one year or less, otherwise at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Voluntary income

	Unrestricted Income funds £	Restricted Income funds £	Total 2022 £	Total 2021 £
Donations and gifts	80,623	18,623	99,246	69,253
Grants receivable	13,631	-	13,631	87,766
	<u>94,254</u>	<u>18,623</u>	<u>112,877</u>	<u>157,019</u>
For the year ended 31 March 2021	<u>151,954</u>	<u>5,065</u>		<u>157,019</u>
Grants receivable				
Omicrom grant	3,232	-	3,232	-
Heritage Lottery Fund	-	-	-	3,820
National Lockdown grant	9,696	-	9,696	-
Fundraising grant	-	-	-	300
The Polish Association	-	-	-	945
NLHF Emergency Fund	-	-	-	24,400
Corona Virus Job Retention Scheme	703	-	703	17,487
Business Grant	-	-	-	25,000
Gloucetser City Council Rates Refund	-	-	-	15,814
	<u>13,631</u>	<u>-</u>	<u>13,631</u>	<u>87,766</u>

3 Incoming resources from charitable activities:

	Charitable activities 2022 £	Charitable activities 2021 £
Museum admission fees	14,332	1,771
Memberships	6,023	-
Archive enquiries	2,229	-
Other	1,897	-
	<u>24,481</u>	<u>1,771</u>

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Trading activities in furtherance of the charity's objects

	Total	Unrestricted funds
	2022	2021
	£	£
Shop and cafe	-	36,342

5 Insurance monies received

During the year £25,000 was received in relation to the Covid business interruption claim

6 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Service charge received	22,178	8,235
Imjin dinner income	8,593	-
	<u>30,771</u>	<u>8,235</u>

7 Trading activities

	Unrestricted funds	Total
	2022	2021
	£	£
Shop, café and education (including costs subject to a service charge)	<u>2,431</u>	<u>24,682</u>

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Charitable activities

	2022 £	2021 £
Staff costs	60,840	81,371
Depreciation and impairment	24,810	44,045
IT running costs	4,241	4,732
Insurance	5,082	3,748
Repairs and renewals	20,865	7,411
Advertising and postage	1,674	4,648
Subscriptions	914	2,869
Film Commission	4,000	-
Travel and volunteer expenses	1,874	(51)
Heat and light	13,233	7,915
Sundry expenditure	10,927	9,830
Displays	3,000	-
HLF Fees/Consultants	-	6,792
Independent examiners fees (examination only)	900	670
Loan interest	6,456	7,518
Professional fees	6,025	3,424
	<u>164,841</u>	<u>184,922</u>
Analysis by fund		
Unrestricted funds	149,973	150,845
Restricted funds	14,868	34,077
	<u>164,841</u>	<u>184,922</u>

The independent examiner received £3,000 (2021 £725) in respect of non examination services.

9 Executive Board

No Executive Board member received any remuneration or reimbursed expenses, during the year.

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Director	1	1
Shop staff	2	6
Cleaner	1	-
	<u>4</u>	<u>7</u>

Employment costs

	2022 £	2021 £
Wages and salaries	60,148	80,924
Other pension costs	692	447
	<u>60,840</u>	<u>81,371</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Other

	Unrestricted funds	Total
	2022	2021
		£
Imjin dinner costs	6,392	-
	<u>6,392</u>	<u>-</u>

12 Net gains/(losses) on investments

	2022	2021
	£	£
Revaluation of investments	3,298	8,319
	<u>3,298</u>	<u>8,319</u>

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Tangible fixed assets

	Property	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 April 2021	787,753	606,514	1,394,267
Additions	-	4,290	4,290
At 31 March 2022	787,753	610,804	1,398,557
Depreciation and impairment			
At 1 April 2021	174,834	534,471	709,305
Depreciation charged in the year	17,733	7,077	24,810
At 31 March 2022	192,567	541,548	734,115
Carrying amount			
At 31 March 2022	595,186	69,256	664,442
At 31 March 2021	612,919	72,043	684,962

The property in which the museum is based was owned by the Ministry of Defence (MoD) and was partly leased to the museum.

This property was since purchased by the museum thus removing the threat that the MoD could terminate the lease. This purchase was funded by a short-term loan from Ryland Ltd with C H Ryland as the settlor of the trusts from which the loan is ultimately derived.

In the light of these changes the Executive Board continue to review the depreciation and amortisation of fixed assets, in particular, their useful economic lives. With the above in mind certain assets such as display cases which are expected to last up to 20 and 30 years are now being depreciated equally over their updated expected remaining lives.

There is a profit share agreement with the MoD whereby if Customs House is let or disposed of for an amount more than £392,250 (as adjusted for inflation) the excess would be split as to 40% to the the MoD and 60% to the museum.

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Fixed asset investments

	Listed investments £	Other investments	Total £
Cost or valuation			
At 1 April 2021	55,241	100	55,341
Valuation changes	3,298	-	3,298
	<hr/>	<hr/>	<hr/>
At 31 March 2022	58,539	100	58,639
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 March 2022	58,539	100	58,639
	<hr/>	<hr/>	<hr/>
At 31 March 2021	55,241	100	55,341
	<hr/>	<hr/>	<hr/>

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	24	100	100
		<hr/>	<hr/>

15 Stocks

	2022 £	2021 £
Finished goods and goods for resale	8,709	12,286
	<hr/>	<hr/>

16 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	6,660	1,231
Prepayments and accrued income	8,243	-
	<hr/>	<hr/>
	14,903	1,231
	<hr/>	<hr/>

17 Loans and overdrafts

	2022 £	2021 £
Other loans	168,919	162,464
	<hr/>	<hr/>
Payable after one year	168,919	162,464
	<hr/>	<hr/>

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Loans and overdrafts

(Continued)

In the year ending 31 March 2020 £150,000 was loaned from Ryland Limited. The principal amount of the loan will carry interest at the rate of 3.25% above the official base rate. This equates to interest of £5,164 (2021: £5,025) in the period. The agreement also states that the museum will be responsible for paying any taxes that arise on the loan, £1,291 (2021: £2,493) has been provided for in respect of this.

18 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	1,277	-
Trade creditors	4,815	5,375
Other creditors	2,684	2,684
Accruals and deferred income	890	62,683
	<u>9,666</u>	<u>70,742</u>

19 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Borrowings	<u>168,919</u>	<u>162,464</u>

Although the terms of the loan of £150,000 for the purchase of the Custom House are that it is repayable in less than one year, the Charity has received a Letter of Comfort from the Lender, which has led the Executive Board to judge that this can be regarded as of longer term.

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes. Unexpended in this regard means held either as a revenue balance or as the un-depreciated portion of a fixed asset and therefore not yet charged against income.

	Movement in funds			
	Balance at 1 April 2021 As restated	Incoming resources	Resources expended	Balance at 31 March 2022
	£	£	£	£
Museum redevelopment	51,951	-	(4,299)	47,652
Modern Army Display	958	-	-	958
Fund Raising grant	1,856	-	-	1,856
Korean Museum donation	1,594	-	-	1,594
Friends re security and display case	3,025	-	(344)	2,681
Polish Display	1,500	-	-	1,500
Newbould Legacy - Running costs	-	10,000	(10,000)	-
Building Expansion Project	-	7,123	-	7,123
Tills	-	1,500	(225)	1,275
	<u>60,884</u>	<u>18,623</u>	<u>(14,868)</u>	<u>64,639</u>

21 Analysis of net assets between funds

	Unrestricted income funds 2022	Restricted funds 2022	Total 2022	Total 2021 As restated
	£	£	£	£
Fund balances at 31 March 2022 are represented by:				
Tangible assets	607,190	57,252	664,442	684,962
Investments	58,639	-	58,639	55,341
Current assets/(liabilities)	107,081	7,387	114,468	68,028
Long term liabilities	(168,919)	-	(168,919)	(162,464)
	<u>603,991</u>	<u>64,639</u>	<u>668,630</u>	<u>645,867</u>

22 Related party transactions

During the year ending 31 March 2020 Ryland Limited, a company ultimately owned equally by C R (No 1) Grandchildren's Settlement and C R (No 2) Grandchildren's Settlements of which Executive Board member C H Ryland is the settlor, loaned the charity £150,000. This attracted further interest and tax of £6,455 during the year leading to an amount remaining outstanding at the year end of £168,919.

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

23 Control

The trustees consider that no individual controls the charity.

24 Subsidiaries

These financial statements are separate financial statements and therefore present information about the charity as an individual undertaking and not as a group.

On 26 February 2020, a UK incorporated limited company, The Soldiers of Gloucestershire Museum Trading Limited, was incorporated with company registration number 12486073 and registered address The Customs House, Gloucester Docks, Gloucester, GL1 2HE. The company was incorporated with £100 authorised and issued ordinary share capital and is wholly owned by The Soldiers of Gloucestershire Museum. The company was formed with the intention that it undertake certain of the trading activities conducted by the museum and was dormant until 1 September 2020.

THE SOLDIERS OF GLOUCESTERSHIRE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

25 Prior period adjustment

Changes to the balance sheet

		At 31 March 2021		
		As previously reported	Adjustment	As restated
		£	£	£
Fixed assets				
Tangible assets		671,332	13,630	684,962
		<u> </u>	<u> </u>	<u> </u>
Capital funds				
Income funds				
Restricted funds		48,570	12,314	60,884
Unrestricted funds		583,667	1,316	584,983
		<u> </u>	<u> </u>	<u> </u>
Total equity		632,237	13,630	645,867
		<u> </u>	<u> </u>	<u> </u>

Changes to the profit and loss account

		Period ended 31 March 2021		
		As previously reported	Adjustment	As restated
		£	£	£
Charitable activities		198,552	(13,630)	184,922
Net movement in funds		(11,548)	13,630	2,082
		<u> </u>	<u> </u>	<u> </u>

In the previous period fixed assets were over depreciated by £13,630. £12,314 of this had been allocated as restricted funds and £1,316 as unrestricted.