

REGISTERED COMPANY NUMBER: 05314773 (England and Wales)
REGISTERED CHARITY NUMBER: 1108039

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2024
for
THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED

Richardson Swift
Chartered Accountants
11 Laura Place
Bath
BA2 4BL

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

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for the year ended 31 March 2024**

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**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Reference and Administrative Details
for the year ended 31 March 2024**

TRUSTEES	M S P Berry J R E Coles J D A Gaselee H S J Scott B E Rogers R J Spiller (appointed 10.9.23) B W B White-Spunner (resigned 2.1.24) A E Gilham (resigned 8.9.23)
COMPANY SECRETARY	R R D Griffin
REGISTERED OFFICE	Headquarters Household Cavalry Horse Guards Whitehall London SW1A 2AX
REGISTERED COMPANY NUMBER	05314773 (England and Wales)
REGISTERED CHARITY NUMBER	1108039
INDEPENDENT EXAMINER	Richardson Swift Chartered Accountants 11 Laura Place Bath BA2 4BL
SOLICITORS	Stone King LLP 13 Queen Square Bath BA1 2HJ
BANKERS	National Westminster Bank plc Windsor and Eton Branch 12 High Street Windsor Berkshire SL4 1LQ Lloyds Bank plc Coxs & Kings branch 1 Legg Street Chelmsford Essex CM1 1JS

THE HOUSEHOLD CAVALRY MUSEUM TRUST LIMITED

Report of the Trustees for the year ended 31 March 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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).

Scope

The financial statements consolidate the financial statements of The Household Cavalry Museum Trust Limited with those of its wholly owned subsidiary, The Household Cavalry Museum Enterprises Limited, for the year ended 31 March 2024.

Introduction and background

The Household Cavalry Museum used to be situated at Combermere Barracks in Windsor and housed the Regimental Collection.

In 2000, a prime site became available at the Horse Guards building in Whitehall, central London, for the Household Cavalry to create a purpose built, modern showcase museum that would not only tell the story of the Household Cavalry through its collections but also afford public access for the first time to one of the most important Grade I listed buildings in the Capital. The Museum opened to the public on 9 July 2007 and provides the visitor with a living experience whereby they are able to observe the mounted and dismounted Household Cavalrymen on duty at Horse Guards. The visitor is also able to see the daily changing of the Queen's Life Guard on Horse Guards parade ground directly adjacent to the Museum's entrance and gain access to a working stables from where they can see behind the scenes of public duty. The day-to-day operation of the Museum is the responsibility of the charity's wholly owned subsidiary, The Household Cavalry Museum Enterprises Limited, a company registered in England and Wales (Company Registration No 05844779).

As part of the original development project, refurbishment at the Windsor site was completed in July 2008. Since April 2009, it has become the focus for school visits and formal education. It houses the reserve collection and is the centre for historical and genealogical research.

The Household Cavalry Museum Trust Limited is the charitable company through which the fundraising and preservation, management and restoration of the Regimental Collection are accounted for.

Objectives and activities

The charitable company's objects are to educate the public and members of the Household Cavalry in the Regiment's history, heritage, traditions and military accomplishments. These objects are achieved through the preservation, maintenance and management of the regimental collection. Activities are conducted through the operation of a Museum at Horse Guards in London and also through the housing of a reserve collection in an education and research establishment in Combermere Barracks, Windsor.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and aims and in planning future activities.

THE HOUSEHOLD CAVALRY MUSEUM TRUST LIMITED

Report of the Trustees for the year ended 31 March 2024

Review of business

As the business continues to build back after the covid-19 pandemic, the trustees and trading company directors still acknowledge and recognise the ongoing after affects from the pandemic on operations of the trading company, its partners and stakeholders and continue to ensure that both resources and processes are in place to mitigate any further disruptions to operations.

In 2023/24, the Museum opened 7 days a week from April to October, reverting to 5 days a week from November 2023 to March 2024. Following the King's Coronation on 6th May 2023, the museum saw a healthy improvement on its visitor numbers with large numbers of tourists in the Whitehall area.

Admissions income and the shop have performed well with retail income improving with new products added to the range. Events income grew in 2023/24 to pre covid levels with one large event saw the museum taken over by a creative design events team for their high-profile client. The private tours continued to grow following a new partnership with the museum and well-known experiences provider. These experiences created a new income stream for the museum in addition to the tours the museum already offered.

The trading company continues to give great priority to maximising revenue potential and managing costs. Part time temporary staff were recruited to take advantage of the traditionally strong summer period during which time the museum was open 7 days a week. In addition, bookings from the private tour travel trade and event industry picked up very much in line with the predictions of the heritage and tourism industry.

Our Education and Archive Centre at Windsor continues to expand its income streams through now hosting private tours in addition to hosting retired groups, local schools and scout groups. The curator has been working closely with the London Museum to provide a rolling programme of changes to the display cabinets on offer to visitors. In addition, the curator has hosted numerous visits for research requests and continues fielding on-line research requests for information from the extensive archive.

Having reviewed the available evidence, the directors and trustees have concluded that it is appropriate for the company and group to continue to prepare their accounts on the going concern basis.

Financial review

Results for the year

A summary of the group's results for the year is given in the consolidated statement of financial activities on page 8 of this annual report and financial statements.

Income for the year totalled £397,578 (2023: £290,643). Donations and similar income amounting to £41,674 (2023: £37,126) were received during the year and included £23,663 (2023: £22,751) received from the Ministry of Defence towards staff costs. Income from trading activities was £355,904 (2023: £253,517) for the year. There were no grants received from the Arts Council Cultural Recovery Fund in 2024.

Expenditure totalled £409,998 (2023: £383,033) and included fundraising trading costs of £271,014 (2023: £236,333), costs of raising donations of £2,100 (2023: £2,100), and costs in relation to the preservation and maintenance of the regimental collection (including depreciation) of £136,884 (2023: £144,600) and governance costs of £8,445 (2023: £9,155). The net reduction in funds for the year was £12,420 (2023: £92,390).

Financial position

At 31 March 2024, the group had total funds of £2,609,721 (2023: £2,622,141). These funds comprised tangible fixed assets of £2,352,036, a retained deficit in the trading subsidiary of £18,777 and general funds of £276,462.

THE HOUSEHOLD CAVALRY MUSEUM TRUST LIMITED

Report of the Trustees for the year ended 31 March 2024

Reserves policy

It is the trustees' intention to build sufficient reserves through fundraising initiatives in order to meet existing liabilities as they fall due and to enable the continued development of the charity's educational activities. The trustees have agreed that free reserves should approximate to £200,000.

At 31 March 2024, the group's free reserves were £257,685, which is in line with the reserves policy.

Governance, structure and management

Governance

The Household Cavalry Museum Trust Limited was incorporated as a company limited by guarantee (Company Registration Number 05314773 (England and Wales)) on 16 December 2004. The company is governed by its memorandum and articles of association. It registered as a charity with the Charity Commission for England and Wales on 10 February 2005 (Charity Registration Number 1108039).

The charitable company remained dormant until 28 March 2006 when The Household Cavalry Regimental Collection Trust (formerly Charity Registration Number 274185) transferred its net assets (excluding the regimental collection) and its activities (including preservation, management and restoration of the regimental collection and the appeal for funds for the Horse Guards development) to the charitable company. This transfer was in accordance with a legal transfer of undertakings. On 18 April 2006, The Household Cavalry Regimental Collection Trust became a subsidiary of the charitable company. With effect from that date, the Charity Registration Number of The Household Cavalry Regimental Collection Trust was amended to 1108039-1. This charity is the charitable trust in which the regimental collection is held. The trustees of both The Household Cavalry Museum Regimental Collection Trust and The Household Cavalry Museum Trust Limited are identical.

Trustees

The names of the trustees of the charitable company who were in office during the year or at the time these financial statements were approved are set out below:

Trustees

J R E Coles
A E Gilham
JDA Gaselee
R J Spiller
B E Rogers
M S P Berry
B W B White-Spunner
HSJ Scott

Appointed/Resigned

Resigned 14 September 2023

Appointed 10 September 2023

Resigned 2 January 2024

Induction and training of trustees

All trustees receive induction on joining the Board so that they are equipped to carry out their role. In order to keep Board members informed about the charity's on-going work, the Board receives reports from senior staff members as required.

Subsidiary company

The Household Cavalry Museum Trust Limited fully owns The Household Cavalry Museum Enterprises Limited (Company Registration Number 05844779 (England and Wales)), which has an issued share capital of £1. The company was formed to carry out the day-to-day operation of the Household Cavalry Museum. It commenced trading on 1 July 2007.

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Report of the Trustees
for the year ended 31 March 2024**

Statement of trustees' responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the group and of the income and expenditure of the group for that period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and group and of the income and expenditure of the group for that period.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006,

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Key management personnel

The trustees consider that they comprise the key management personnel of the charity. None of the trustees receives any remuneration from the charity or group.

The key management personnel of the charity's trading subsidiary, The Household Cavalry Museum Enterprises Limited, in charge of directing and controlling, running and operating it on a day to day basis comprise the Museum Director and the Deputy Visitor Services Manager. The annual pay of the Museum Director is set by the board of directors and reviewed annually. The directors receive no remuneration.

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Report of the Trustees
for the year ended 31 March 2024**

Structure and management reporting

The ultimate responsibility for the charitable company and its subsidiary company lies with the trustees. The day to day responsibility for the subsidiary company lie with its board of directors.

The brief of the Museum Director is to increase day visitor numbers by establishing links with trade partners, tour operators and agencies, to enhance discretionary retail spending and to build the corporate hospitality business potential.

The full time manager of the Museum Education and Archive Centre at Windsor has been tasked with recovering the complete reserve collection from storage and to reinstating it in the refurbished Museum at Combermere Barracks. In addition, a team of volunteers has been cataloguing every item whilst dealing with a significant number of research enquiries and group tours.

All of these individuals report to the trustees or directors (as appropriate) on a regular basis, both informally and formally at trustees' and directors' meetings.

Fundraising

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data, and ensures that supporters' and donors' communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2023, the charity received no complaints about its fundraising activities.

Risk management

The trustees have assessed the major risks to which the charitable company and its subsidiary are exposed, in particular those relating to their specific operational areas and finances. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charitable company and its subsidiary, they have established effective systems to mitigate those risks.

The after effects of Covid-19 continue to be a risk to the group and the ongoing impact of closures due to government restrictions and reduced visitor numbers have and continue lead to a reduction in income. The trustees have detailed the effects of Covid-19 above within the review of business section earlier in the trustee report. The trustees will continue to assess the impact this has on operations and take steps to mitigate losses.

An important risk to the operations of the group is that of its dependence on foreign tourism which fluctuates for reasons which cannot be controlled. The trustees are seeking to mitigate this exposure by careful financial budgeting. In order to attract UK residents in greater numbers, the charity is also concentrating efforts in marketing to diversify and increase the number of visitors to the museum.

The recent changes in the UK Economy, increased inflation and interest rates and the effects to visitors numbers and spend and are being carefully monitored.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the

company directors, on 19/11/2024 and signed on the board's behalf by:

James Gaselee

.....
J D A Gaselee - Trustee

**Independent Examiner's Report to the Trustees of
The Household Cavalry Museum Trust
Limited**

Independent examiner's report to the trustees of The Household Cavalry Museum Trust Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

C L Edwards

Catherine Edwards BSc ACA

Richardson Swift
Chartered Accountants
11 Laura Place
Bath
BA2 4BL

20/11/2024

Date:

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Consolidated Statement of Financial Activities
for the year ended 31 March 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	18,011	23,663	41,674	37,126
Other trading activities	3	355,904	-	355,904	253,517
Investment income		-	-	-	-
Total		<u>373,915</u>	<u>23,663</u>	<u>397,578</u>	<u>290,643</u>
EXPENDITURE ON					
Raising funds					
Raising donations and legacies	4	2,100	-	2,100	2,100
Other trading activities	5	<u>271,014</u>	<u>-</u>	<u>271,014</u>	<u>236,333</u>
		273,114	-	273,114	238,433
Charitable activities					
Preservation and maintenance of the regimental collection	6	<u>113,221</u>	<u>23,663</u>	<u>136,884</u>	<u>144,600</u>
Total		<u>386,335</u>	<u>23,663</u>	<u>409,998</u>	<u>383,033</u>
NET INCOME/(EXPENDITURE)		(12,420)	-	(12,420)	(92,390)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>2,622,141</u>	<u>-</u>	<u>2,622,141</u>	<u>2,714,531</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>2,609,721</u></u>	<u><u>-</u></u>	<u><u>2,609,721</u></u>	<u><u>2,622,141</u></u>

The notes form part of these financial statements

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Consolidated Balance Sheet
31 March 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	11	2,352,036	-	2,352,036	2,438,094
Investments		-	-	-	-
		2,352,036	-	2,352,036	2,438,094
CURRENT ASSETS					
Stocks	12	15,757	-	15,757	15,575
Debtors	13	6,812	-	6,812	9,972
Cash at bank		278,205	-	278,205	199,336
		300,774	-	300,774	224,883
CREDITORS					
Amounts falling due within one year	14	(43,089)	-	(43,089)	(40,836)
NET CURRENT ASSETS		257,685	-	257,685	184,047
TOTAL ASSETS LESS CURRENT LIABILITIES		2,609,721	-	2,609,721	2,622,141
NET ASSETS		2,609,721	-	2,609,721	2,622,141
FUNDS	15				
Unrestricted funds:					
General fund				276,462	274,673
Non-charitable trading funds				(18,777)	(90,626)
Tangible fixed assets fund				2,352,036	2,438,094
				2,609,721	2,622,141
TOTAL FUNDS				2,609,721	2,622,141

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

The notes form part of these financial statements

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Consolidated Balance Sheet - continued
31 March 2024**

The financial statements were approved by the Board of Trustees and authorised for issue on
19/11/2024

..... and were signed on its behalf by:

James Gaselee

.....
J D A Gaselee – Trustee

The notes form part of these financial statements

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Charity Balance Sheet
31 March 2024**

	Notes	2024 Unrestricted funds £	2023 Total funds £
FIXED ASSETS			
Tangible assets	11	2,352,036	2,438,090
Investments	10	<u>1</u>	<u>1</u>
		2,352,037	2,438,091
CURRENT ASSETS			
Debtors	13	210,726	232,687
Cash at bank		<u>78,391</u>	<u>52,331</u>
		289,117	285,018
CREDITORS			
Amounts falling due within one year	14	<u>(12,656)</u>	<u>(8,295)</u>
NET CURRENT ASSETS		<u>276,461</u>	<u>276,723</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,628,498</u>	<u>2,714,814</u>
NET ASSETS		<u>2,628,498</u>	<u>2,714,814</u>
FUNDS	15		
Unrestricted funds:			
General fund		276,462	276,724
Tangible fixed asset fund		<u>2,352,036</u>	<u>2,438,090</u>
		<u>2,628,498</u>	<u>2,714,814</u>
TOTAL FUNDS		<u>2,628,498</u>	<u>2,714,814</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

The notes form part of these financial statements

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Balance Sheet - continued
31 March 2024**

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

The financial statements were approved by the Board of Trustees and authorised for issue on

19/11/2024
..... and were signed on its behalf by:

James Gaselee

.....
J D A Gaselee - Trustee

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Consolidated Cash Flow Statement
for the year ended 31 March 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	<u>78,869</u>	<u>8,377</u>
Net cash provided by operating activities		<u>78,869</u>	<u>8,377</u>
Change in cash and cash equivalents in the reporting period		78,869	8,377
Cash and cash equivalents at the beginning of the reporting period		<u>199,336</u>	<u>190,959</u>
Cash and cash equivalents at the end of the reporting period		<u>278,205</u>	<u>199,336</u>

The notes form part of these financial statements

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Consolidate Cash Flow Statement
for the year ended 31 March 2024**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(12,420)	(92,390)
Adjustments for:		
Depreciation charges	86,058	89,655
(Increase)/decrease in stocks	(182)	11,004
Decrease/(increase) in debtors	3,160	(554)
Increase in creditors	<u>2,253</u>	<u>662</u>
Net cash provided by operations	<u><u>78,869</u></u>	<u><u>8,377</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank	<u>199,336</u>	<u>78,869</u>	<u>278,205</u>
	<u>199,336</u>	<u>78,869</u>	<u>278,205</u>
Total	<u><u>199,336</u></u>	<u><u>78,869</u></u>	<u><u>278,205</u></u>

The notes form part of these financial statements

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements
for the year ended 31 March 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared for the year to 31 March 2024 with comparative information provided in respect to the year to 31 March 2023.

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements are presented in sterling and are rounded to the nearest pound.

Going concern

In the 'review of business' section in the Trustees report above, it was noted that as the business continues to build back after the Covid-19 pandemic, the trustees and trading company directors still acknowledge and recognise the ongoing after affects from the pandemic on operations of the trading company, its partners and stakeholders and continue to ensure that both resources and processes are in place to mitigate any further disruptions to operations.

The trading company directors meet monthly to assess and discuss the performance and rolling forecasts of the Museum. The Trust Trustees are updated on a regular basis and these monthly meetings will continue until trading has returned to normal levels. The forecasts are updated monthly, considering current and forecasted visitors' levels to tourism and heritage industry, economic challenges that may affect the operations and industry, along with any other external factors.

Visitor numbers are still to return to normal levels but for the year 2023/24 grew 35% from 25,350 to 34,410. Current projections see this gradually rise to 80% through 2024/25 and industry expectations are that this will increase to 100% by 2025/26. The trading company have used these predictions to forecast for the next two financial years. Performance against these will be closely monitored, and remedial action taken if required.

Our Education and Archive Centre at Windsor continues to expand its income streams through now hosting private tours in addition to hosting retired groups, local schools and scout groups. The curator has been working closely with the London Museum to provide a rolling programme of changes to the display cabinets on offer to visitors. In addition, the curator has hosted numerous visits for research requests and continues fielding on-line research requests for information from the extensive archive.

Having reviewed the available evidence, the directors and trustees have concluded that although there is some uncertainty related to current projections, it is appropriate for the company and group to continue to prepare their accounts on the going concern basis.

Preparation of consolidated financial statements

The statement of financial activities, balance sheet and the statement of cash flows consolidates the assets, liabilities, income and expenditure of the charity and its wholly-owned subsidiary undertaking, The Household Cavalry Museum Enterprises Limited, for the year ended 31 March 2024. The results of the subsidiary undertaking are consolidated on a line by line basis.

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements - continued
for the year ended 31 March 2024**

1. ACCOUNTING POLICIES - continued

Critical accounting judgements and key sources of estimation uncertainty

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

The items in the financial statements where these judgements and estimates have been made include:

- Estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- Estimating the provision needed, if only, for slow moving or obsolete stock; and
- Estimating future income and expenditure flows for the purpose of assessing going concern.

Income

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

Income comprises donations and income from trading activities.

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

Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

In accordance with the Charities SORP FRS 102, volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements - continued
for the year ended 31 March 2024**

1. ACCOUNTING POLICIES - continued

Income

Turnover generated by The Household Cavalry Museum Enterprises Limited comprises of income from ticket sales, shop sales, events and room hire. It is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Other operating income of the company comprises Coronavirus Job Retention Scheme funding and grants from the Cultural Recovery Fund. Funding from the Coronavirus Job Retention Scheme is credited to income when the company is entitled to the receipt of such monies and when the amount receivable can be quantified. Grants from bodies including the Cultural Recovery Fund are credited to income when the company is entitled to receipt, the amount receivable can be quantified and receipt is probable.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the group and charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the group and charity. This includes costs associated with fundraising and the costs of trading activities including the operating costs of The Household Cavalry Museum Enterprises Limited including the operating costs of the Household Cavalry Museum Enterprises Limited.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include:
 - Preservation and maintenance of the Regimental Collection including improvement of its accessibility to members of the public, other individuals and organisations;
 - Donations made to other charities specifically to enable them to assist family members of Household Cavalry soldiers killed or wounded in recent conflicts. Charitable donations comprise single year payments rather than multi-year grants. Donations are included in the statement of financial activities when approved for payment by the trustees. Provision is made for donations approved but unpaid at the period end.

Governance costs comprising the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice are allocated to the cost of preserving and maintaining the Regimental Collection.

All expenditure is stated inclusive of irrecoverable VAT.

Tangible fixed assets

All assets costing over £1,000 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life as follows:

- | | |
|------------------------------|--|
| Building improvements | - 2% straight line |
| Museum fixtures and fittings | - Over 4, 5 or 15 years straight line according to asset's useful life |
| Equipment | - 25% straight line |

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements - continued
for the year ended 31 March 2024**

1. ACCOUNTING POLICIES - continued

Heritage assets

The Regimental Collection comprises an extensive library and unique artefacts including produced textiles such as standards and banners, silverware, weaponry, paintings, musical instruments, horse furniture and ceremonial and operational uniforms, all of which form part of the heritage of the Household Cavalry and the nation generally.

One of the principal objectives of the charity is to preserve such assets for the enjoyment of future generations. As such, the assets meet the definition of heritage assets in the Charities SORP FRS 102 and are not valued for the purposes of these financial statements. It is not possible to place any meaningful valuation on the collection for the purposes of these financial statements and details of specific items are not given for security reasons.

Stocks

Stock of items for resale in the museum shop is stated at the lower of cost and net realisable value with provision made against any obsolete or slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds represent monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Non-charitable trading funds represent the accumulated surplus or deficit of the subsidiary trading company, The Household Cavalry Museum Enterprises Limited.

The tangible fixed asset fund represents the net book value of the improvements to land and buildings occupied by the group and other tangible fixed assets. Such assets are vital to the group being able to carry out its work and the value invested in the assets cannot, therefore, be realised in order to meet future expenditure or liabilities. To emphasise this point, the net book value of the assets is represented by a specific tangible fixed asset fund on the balance sheet.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Investment in the subsidiary company is valued at cost.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

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

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements - continued
for the year ended 31 March 2024**

1. ACCOUNTING POLICIES - continued

Creditors and provisions

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

Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	14,425	5,785
Gift aid	674	739
Grant funding - Victoria Cross Plaque	-	6,000
Research & Visitor Fees	2,912	1,851
Ministry of Defence (MoD) funding for staff posts	<u>23,663</u>	<u>22,751</u>
	<u>41,674</u>	<u>37,126</u>

£23,663 (2023 - £28,751) of the income above was attributable to unrestricted funds and £18,011 (2023 - £8,375) attributable to restricted funds.

Throughout the year, volunteers give their time to assist the operations of the Museum. The charity is grateful to these individuals for their enthusiasm and support. In accordance with the Charities SORP FRS 102, the economic contribution of these volunteers is not recognised.

3. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Ticket Income	210,336	160,016
Shop Sales	105,000	63,820
Events Income	40,468	28,454
Other Income	<u>100</u>	<u>1,227</u>
	<u>355,904</u>	<u>253,517</u>

4. RAISING DONATIONS AND LEGACIES

	2024	2023
	£	£
Consultancy fees and reimbursed expenses	<u>2,100</u>	<u>2,100</u>

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements - continued
for the year ended 31 March 2024**

5. OTHER TRADING ACTIVITIES

	£	£
Cost of shop sales	49,281	31,810
Administrative expenses	<u>221,733</u>	<u>204,523</u>
	<u>271,014</u>	<u>236,333</u>

6. PRESERVATION AND MAINTENANCE OF THE REGIMENTAL COLLECTION

	2024 £	2023 £
Salaries and related costs	25,875	20,539
Other preservation and maintenance costs	16,510	25,903
Depreciation on tangible fixed assets	86,054	89,003
Governance cost	<u>8,445</u>	<u>9,155</u>
	<u>136,884</u>	<u>144,600</u>

£23,663 (2023 - £28,751) of the expenditure above was attributable to unrestricted funds and £113,221 (2023 - £115,849) attributable to restricted funds.

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024 £	2023 £
Depreciation - owned assets	86,058	89,655
Staff costs	200,327	182,134
Auditor's remuneration (audit)	-	9,500
Auditor's remuneration (other)	<u>-</u>	<u>1,250</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements - continued
for the year ended 31 March 2024**

9. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	184,027	166,274
Social security costs	11,320	11,480
Other pension costs	<u>4,980</u>	<u>4,379</u>
	<u><u>200,327</u></u>	<u><u>182,133</u></u>

The average monthly number of employees during the year was as follows:

	2024	2023
Employees	5	5
Employees (funded by MoD)	<u>1</u>	<u>1</u>
	<u><u>6</u></u>	<u><u>6</u></u>

No employees had emoluments during the year in excess of £60,000 (2023: Nil).

The trustees consider that they comprise the key management personnel of the charity in charge of controlling, running and operating it on a day to day basis. None of the trustees received any remuneration from the charity or the group.

The directors consider that they together with the Museum Director and Deputy Visitor Services Manager comprise the key management personnel of the company in charge of directing and controlling, running and operating the company on a day to day basis. The total remuneration paid to key management personnel during the year was £98,139 (2023: £108,649).

10. FIXED ASSET INVESTMENTS

	Inv. in subsidiary £
CHARITY	
COST OR VALUATION	
At 1 April 2023	<u>1</u>
At 31 March 2024	<u><u>1</u></u>

The charity owns the entire issued ordinary share capital of £1 in The Household Cavalry Museum Enterprises Limited a company registered in England and Wales (Company Registration Number 05844779). The subsidiary carries out commercial activities, namely the day-to-day operation of the Household Cavalry Museum. All activities have been consolidated on a line-by-line basis in the statement of financial activities.

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements - continued
for the year ended 31 March 2024**

11. TANGIBLE FIXED ASSETS

Group	Combermere Barracks £	Horse Guards £	Equipment £	Museum Fixtures & Fittings £	Totals £
COST					
At 1 April 2023 and 31 March 2024	<u>385,220</u>	<u>3,134,268</u>	<u>124,236</u>	<u>703,720</u>	<u>4,347,444</u>
DEPRECIATION					
At 1 April 2023	115,066	1,002,648	102,539	689,097	1,909,350
Charge for year	<u>7,704</u>	<u>62,686</u>	<u>12,673</u>	<u>2,995</u>	<u>86,058</u>
At 31 March 2024	<u>122,770</u>	<u>1,065,334</u>	<u>115,212</u>	<u>692,092</u>	<u>1,995,408</u>
NET BOOK VALUE					
At 31 March 2024	<u>262,450</u>	<u>2,068,934</u>	<u>9,024</u>	<u>11,628</u>	<u>2,352,036</u>
At 31 March 2023	<u>270,154</u>	<u>2,131,620</u>	<u>21,697</u>	<u>14,623</u>	<u>2,438,094</u>

Charity	Combermere Barracks £	Horse Guard £	Equipment £	Museum fixtures & fittings £	Totals £
COST					
At 1 April 2023 and 31 March 2024	<u>385,220</u>	<u>3,134,268</u>	<u>50,681</u>	<u>703,720</u>	<u>4,273,889</u>
DEPRECIATION					
At 1 April 2023	115,066	1,002,649	28,987	689,097	1,835,799
Charge for year	<u>7,704</u>	<u>62,685</u>	<u>12,670</u>	<u>2,995</u>	<u>86,054</u>
At 31 March 2024	<u>122,770</u>	<u>1,065,334</u>	<u>41,657</u>	<u>692,092</u>	<u>1,921,853</u>
NET BOOK VALUE					
At 31 March 2024	<u>262,450</u>	<u>2,068,934</u>	<u>9,024</u>	<u>11,628</u>	<u>2,352,036</u>
At 31 March 2023	<u>270,154</u>	<u>2,131,619</u>	<u>21,694</u>	<u>14,623</u>	<u>2,438,090</u>

Heritage assets

As explained under principal accounting policies, heritage assets comprise the regimental collection. This collection includes an extensive library and unique artefacts including produced textiles such as standards and banners, silverware, weaponry, paintings, musical instruments, horse furniture and ceremonial and operational uniforms. It is not possible to place any meaningful valuation on the collection for the purposes of these financial statements. Details of specific items are not given for security reasons.

12. STOCKS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Finished goods and goods for resale	<u>15,757</u>	<u>15,575</u>	-	-
	15,757	15,575	-	-

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**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements - continued
for the year ended 31 March 2024**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Amounts receivable within one year				
Trade debtors	2,826	5,732	-	-
Social security and taxation	837	-	837	308
Prepayments and accrued income	3,149	4,241	1,009	249
Amount due from subsidiary undertaking	-	-	48,880	52,130
	<u>6,812</u>	<u>9,973</u>	<u>50,726</u>	<u>52,687</u>

During the previous year, a substantial proportion of the amount due from The Household Cavalry Museum Enterprises Limited (the subsidiary) was converted into a loan (see below).

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Amounts receivable after more than one year				
Amount due from subsidiary undertaking	-	-	160,000	180,000
	<u>-</u>	<u>-</u>	<u>160,000</u>	<u>180,000</u>

The charity agreed entered into a loan agreement with its subsidiary company on 11 March 2021 that provides the subsidiary with a loan for a maximum amount of £200,000. The loan is to be applied solely for the purposes of trading to generate income for the charity and for assisting the charity to advance its charitable purposes. The loan is repayable by ten equal annual instalments and attracts interest at 2% per annum above the Bank Rate of the Bank of England.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	7,101	13,058	2,868	945
Accruals and deferred income	21,267	17,904	9,788	7,350
Social security and taxation	<u>14,721</u>	<u>9,874</u>	-	-
	<u>43,089</u>	<u>40,836</u>	<u>12,656</u>	<u>8,295</u>

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements - continued
for the year ended 31 March 2024**

15. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	274,673	1,789	276,462
Non-charitable trading funds	(90,626)	71,849	(18,777)
Tangible fixed assets fund	<u>2,438,094</u>	<u>(86,058)</u>	<u>2,352,036</u>
	<u>2,622,141</u>	<u>(12,420)</u>	<u>2,609,721</u>
TOTAL FUNDS	<u><u>2,622,141</u></u>	<u><u>(12,420)</u></u>	<u><u>2,609,721</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	31,055	(29,266)	1,789
Non-charitable trading funds	342,860	(271,011)	71,849
Tangible fixed assets fund	<u>-</u>	<u>(86,058)</u>	<u>(86,058)</u>
	373,915	(386,335)	(12,420)
Restricted funds			
Ministry of Defence (MoD)	<u>23,663</u>	<u>(23,663)</u>	<u>-</u>
TOTAL FUNDS	<u><u>397,578</u></u>	<u><u>(409,998)</u></u>	<u><u>(12,420)</u></u>

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	280,707	(6,034)	274,673
Non-charitable trading funds	(93,925)	3,299	(90,626)
Tangible fixed assets fund	<u>2,527,749</u>	<u>(89,655)</u>	<u>2,438,094</u>
	<u>2,714,531</u>	<u>(92,390)</u>	<u>2,622,141</u>
TOTAL FUNDS	<u><u>2,714,531</u></u>	<u><u>(92,390)</u></u>	<u><u>2,622,141</u></u>

**THE HOUSEHOLD CAVALRY MUSEUM TRUST
LIMITED**

**Notes to the Financial Statements - continued
for the year ended 31 March 2024**

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	8,375	(14,409)	(6,034)
Non-charitable trading funds	253,517	(250,218)	3,299
Tangible fixed assets fund	<u>-</u>	<u>(89,655)</u>	<u>(89,655)</u>
	261,892	(354,282)	(92,390)
Restricted funds			
Ministry of Defence (MoD)	22,751	(22,751)	-
Victoria Cross Plaques	<u>6,000</u>	<u>(6,000)</u>	<u>-</u>
	<u>28,751</u>	<u>(28,751)</u>	<u>-</u>
TOTAL FUNDS	<u>290,643</u>	<u>(383,033)</u>	<u>(92,390)</u>

The tangible fixed assets fund represents the book value of the tangible fixed assets held by the group and charity respectively. A decision was made to separate this fund from the general funds of the group and charity in recognition of the fact that the assets are essential to the day to day work of the group and charity and as such their value should not be regarded as funds that would be available with ease in order to meet future contingencies.

16. TRANSACTIONS WITH CONNECTED CHARITIES AND OTHER RELATED PARTIES

The group is connected to The Household Cavalry Foundation, a registered charity, Charity Registration Number 08236363, by virtue of the fact that the Household Cavalry Museum Trust Limited and its subsidiary both have directors in common with The Household Cavalry Foundation.

There were no other related party transactions other than those with the charity's wholly-owned subsidiary undertaking, The Household Cavalry Museum Enterprises Limited (2023: Nil).