

REGISTERED COMPANY NUMBER: 07769242 (England and Wales)
REGISTERED CHARITY NUMBER: 1145031

TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

MHA
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

	Page
Trustees' Report	1 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 19

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

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 2023. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Objects

- To educate and enhance the appreciation of the public in the history and military accomplishments of the Regiment, in particular by the maintenance of military museums and archives and preservation and exhibition to the public of the collection.
- To manage the Chattels and make them available to the Regiment for regimental purposes in order to promote military efficiency.
- To promote military efficiency and encourage recruitment.

As a result of a governance review undertaken during 2018, the trustees decided to adopt the following vision and mission statements and accompanying values.

Vision

To deliver an inspiring and entertaining experience to a 21st century audience that increases their understanding of one of the finest Regiments in the British Army.

Mission

To tell the stories of the Royal Welsh and its antecedent Regiments, including that of the 1879 Anglo-Zulu War, in order to inspire and educate, foster corporate memory and help to sustain the connection between the Army and society to support the avoidance of future warfare.

Values

As a museum we:

- Are a vibrant, relevant, innovative and authoritative organisation which is viable, self-sustaining and resilient.
- Deliver a memorable and thought-provoking experience as we both inform and educate.
- Are the pre-eminent Anglo-Zulu museum.
- Represent the history of the Royal Welsh and its contribution to Welsh history.
- Champion strong relations with KwaZulu-Natal for the good of humanity.

Public benefit

The organisation's trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. Significant activities that were undertaken during the year that demonstrate public benefit are set out on the following pages.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

This year continued to build on returning to our normal and pre-covid offering whilst also developing some new offers as well:

- A focus on our social media image which was kick-started with our Elf on a Shelf in December.
- We launched our Family Ticket to encourage more family groups to visit the museum.
- We have continued running family friendly activities including a 'Goat Day' which had the regimental goat, Shenkin, visit the museum and engage with visitors as well as our second year running the 'Night at the Museum.'

Unfortunately, on December 17th the museum suffered water damage and was forced to close for the remainder of the financial year. The museum's focus was now concentrated upon audits, conservation and developing new exhibitions for when we could re-open. Our education programme was delivered at a neighbour museum, however at a reduced frequency.

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

Financial position

Income for the year was £481,164 (2022 - £104,871). Of this, £11,058 related to restricted activities.

Net income for the year as shown in the SOFA was £398,639 (2022 - £24,506).

The increase in income and net income above was attributable to a property which was bequeathed to the charity in 2002. The property was subject to the life interest of the spouse of the donor and was not recognised in the financial statements of the charity until the death of the spouse, which occurred in the current financial year. The value of the bequeathed property has been recognised in the financial statements at a value of £390,000.

By an Agreement dated 27 June 2020, it was agreed that on the sale of the property the remaining loan balance and any payments of capital and interest due from Firing Line Limited, will be transferred or assigned to the Royal Welsh Regimental and Welfare Benevolence Foundation. The amount of the loan at the 31 March 2023 was £258,970.

Reserves policy

At 31 March 2023 total reserves were £1,308,199 (2022 - £909,560), of these none related to restricted reserves. Free reserves at 31 March 2023 equates to £527,630. This is calculated as the total reserves, less restricted and designated reserves, less amounts invested in fixed assets.

Reserves are held for various reasons including adding material to the collection, covering deficits on operating income, substantial repairs, special projects, and also to allow for match funding against grant applications. Restricted income is listed separately in the accounts according to SORP FRS 102.

Financial and risk management objectives and policies

As part of standard management practice, the Museum has identified a number of risks that could adversely impact its operation. These cover financial, governance, operational and collection related matters. Each of these risks has been quantified and appropriate control measures introduced to provide suitable mitigation. The risk register is monitored regularly by the Curatorial team, and any concerns reported to the next meeting of the museum's trustees.

FUTURE PLANS

Near Term

We continue to work to maximise our outputs, both in terms of improved financial stability and storytelling 'reach'. We will continue to optimise our on-line presence and work to present a wider range of innovative activities at the museum such as 'A night at the Museum' and 'Goat Days'. In parallel, we are producing detailed short-term plans to refine current museum layout and design. The latter work will be aimed to maximise the visitor experience, but will be designed to complement a more comprehensive refurbishment which will constitute the long term plan. More co-operation with our regimental sister Museums is also beginning and will pick up pace as we move towards the longer-term period.

Long Term

The longer-term plan remains to acquire a long lease from the MOD on the current building thus enabling a comprehensive refurbishment programme to be conducted. This will also require a significant fund-raising effort.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its Memorandum and Articles of Association and constitutes a company limited by guarantee, as defined by the Companies Act 2006.

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

During the 2018 governance review, a skills audit was conducted on the trustees and a number of pertinent gaps identified. The review of skills and experience on the Trustee Board is now a regular item for consideration by the Trustee Board and identifying suitable candidates is an ongoing process, which has resulted in several new appointments to the Trustee Board, to fill experience gaps.

After due diligence enquiries into the suitability of candidates new trustees are invited to apply to join the Board, and if appointed, are co-opted to the Trustee Board by the Directors, their appointment being then subject to confirmation by the Directors and Members in General Meeting.

New trustees are provided with copies of the Company / Charity governing documents by the Company Secretary and are given the opportunity given to raise any queries and are encouraged to ask for any information, advice and clarification they feel would be helpful.

All trustees are required to complete and sign a Declaration of Interests form each year, and the matter of conflict of interests is a standard agenda item at every Board Meeting.

Renewal of trustees

During the year there were no resignations and Mrs Rosemarie Harris was appointed.

Arrangements for setting pay and remuneration

Rates of pay for newly recruited staff are determined through analysis of the labour market for museum staff and affordability. Across the board annual pay increases are not awarded automatically, but according to affordability and included in the forecast budget which is subject to Board approval before the start of the financial year. Individual staff members can be awarded modest increases by the Trustee Board in recognition of outstanding performance or other exceptional circumstances.

Volunteers

Our volunteers are a key part of the team and we have worked hard to stay in touch with all of them and to understand what contribution they could bring during the pandemic. As we expand our opening times again, we will consider whether we need to expand their number to achieve a sustainable and sufficient operating model.

Organisational structure

The Royal Welsh Regimental Museum Trust is governed by a group of up to sixteen trustee directors. The Charity's Objects are set out in its "Articles of Association", adopted in 2011, which clearly explains how the Charity should operate and set out the duties, powers, and responsibilities of the trustee directors. The trustees receive no remuneration for their work.

The trustees delegate the daily operation of the Museum to the Museum Operations Committee, working closely with the curator, who in turn manages the Museum's staff and volunteers.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07769242 (England and Wales)

Registered Charity number

1145031

Registered office

The Royal Welsh Regimental Museum
The Barracks
The Watton
Brecon
Powys
LD3 7EB

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees

Brig (Rtd) R N Wardle OBE DL	- Chair
Col (retd) T J Van-Rees MBE ED DL	- Vice Chair
Maj (retd) P F Kinsman TD FCCA	- Treasurer
Mrs D E Cresswell	
Mr R C May-Hill FCA	
Mr D M Warren LLB	
Mr N J Mansfield	
Mr N R Richardson	
Col S D Walker	
Ms R Harris	

Appointed 31 January 2023

Senior management team

Ms A Rosewarne - Curator

Company Secretary

Mr D M Warren LLB

Independent Examiner

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

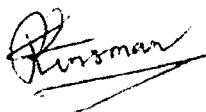
Bankers

The Royal Bank of Scotland plc
Holt's Branch
Lawrie House
Victoria Road
Farnborough
Hampshire
GU14 7NR

Investment Advisers

Evelyn Partners
45 Gresham Street
London
EC2V 7BG

Approved by order of the Board of Trustees on 23 October 2023 and signed on its behalf by:



Maj (retd) P F Kinsman TD FCCA - Treasurer

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE ROYAL WELSH REGIMENTAL MUSEUM TRUST**

Independent examiner's report to the trustees of The Royal Welsh Regimental Museum Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

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.

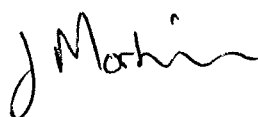
Independent examiner's statement

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 Association of Certified Chartered Accountants, 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.



Julia Mortimer FCCA
MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Date: 24 November 2023

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	407,238	-	407,238	46,188
Charitable activities	6				
Education of the public in history and military accomplishments		23,091	11,058	34,149	36,233
Other trading activities	4	10,827	-	10,827	7,515
Investment income	5	8,183	-	8,183	4,954
Other income		<u>20,767</u>	<u>-</u>	<u>20,767</u>	<u>9,981</u>
Total		<u>470,106</u>	<u>11,058</u>	<u>481,164</u>	<u>104,871</u>
EXPENDITURE ON					
Raising funds	7	3,995	-	3,995	2,034
Charitable activities	8				
Education of the public in history and military accomplishments		<u>74,263</u>	<u>11,058</u>	<u>85,321</u>	<u>78,331</u>
Total		<u>78,258</u>	<u>11,058</u>	<u>89,316</u>	<u>80,365</u>
Net gains on investments		<u>6,791</u>	<u>-</u>	<u>6,791</u>	<u>-</u>
NET INCOME		398,639	-	398,639	24,506
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>909,560</u>	<u>-</u>	<u>909,560</u>	<u>885,054</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,308,199</u></u>	<u><u>-</u></u>	<u><u>1,308,199</u></u>	<u><u>909,560</u></u>

The notes form part of these financial statements

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

BALANCE SHEET
31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Intangible assets	15	2,000	-	2,000	2,600
Tangible assets	16	393,096	-	393,096	5,988
Heritage assets	17	15,853	-	15,853	15,853
Investments	18	434,122	-	434,122	28,118
		845,071	-	845,071	52,559
CURRENT ASSETS					
Stocks	19	14,493	-	14,493	8,430
Debtors	20	266,523	-	266,523	267,039
Cash at bank and in hand		185,195	-	185,195	587,032
		466,211	-	466,211	862,501
CREDITORS					
Amounts falling due within one year	21	(3,083)	-	(3,083)	(5,500)
NET CURRENT ASSETS		463,128	-	463,128	857,001
TOTAL ASSETS LESS CURRENT LIABILITIES		1,308,199	-	1,308,199	909,560
NET ASSETS		1,308,199	-	1,308,199	909,560
FUNDS	22				
Unrestricted funds				1,308,199	909,560
TOTAL FUNDS				1,308,199	909,560

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

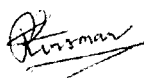
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

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 23 October 2023 and were signed on its behalf by:



.....
Maj (retd) P F Kinsman TD FCCA - Treasurer

The notes form part of these financial statements

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. STATUTORY INFORMATION

The Royal Welsh Regimental Museum Trust is a company limited by guarantee incorporated in Wales within the United Kingdom. The registered office is The Watton, Brecon, Powys, LD3 7EB.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at fair value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

This includes capital grants.

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Other trading activities income

Income from other trading activities includes income received under contract. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income

Investment income is recognised on a receivable basis.

Donated goods

Income received from donated goods is recognised on the sale of the goods. It is not the policy of the charity to show income net of expenditure.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on raising funds include costs of fundraising, events and shop expenditure.

2. ACCOUNTING POLICIES - continued

Expenditure

Expenditure on charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Intangible assets

Intangible assets are capitalised at cost.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Website development costs	- Over 5 years
---------------------------	----------------

Tangible fixed assets

Fixed assets are capitalised at cost.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Fixtures and fittings	- Over 10 years
Computer Equipment	- Over 10 years

Heritage assets

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation if known. Assets are subsequently stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Fair values for donated assets are estimated by reference to market prices.

Those heritage assets currently recognised on the balance sheet have indefinite lives and are therefore not depreciated, but reviewed at each reporting date for impairment.

Where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the accounts then heritage assets are not recognised on the balance sheet.

The Museum maintains a register for its collections of heritage assets which records the nature, provenance and current location of each asset.

Investments

Investments are included at market value at the balance sheet date. Realised and unrealised gains or losses on investments are shown separately on the face of the statement of financial activities.

Investment income is recognised on a receivable basis.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company makes contributions to personal pension schemes on behalf of its employees. Contributions are charged to the Statement of Financial Activities in the period to which they relate.

Termination payments

The charitable company recognises termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Concessionary loans are recognised and measured initially at the transaction value, with the carrying amount adjusted in subsequent years to reflect repayments and accrued interest.

Debtors

Trade debtors and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	12,736	12,539
Bequests	391,000	-
Grants	-	32,849
Donated goods	<u>3,502</u>	<u>800</u>
	<u>407,238</u>	<u>46,188</u>

Donated goods of £3,502 relates to the donation of books from The Friends of The Royal Welsh Regimental Museum.

Included within bequests above is £390,000 relating to a property which was bequeathed to the charity in 2002, the property was the subject of a life tenancy agreement held by a third party the conditions of which were met in the current financial year.

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Welsh Government - Wales Cultural Recovery Fund	<u>-</u>	<u>32,849</u>

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Shop sales	10,827	5,515
Internship Income	-	2,000
	<u>10,827</u>	<u>7,515</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Dividend income	1,529	-
Deposit account interest	1,539	519
Interest receivable - loan	5,115	4,435
	<u>8,183</u>	<u>4,954</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Museum operation - admission receipts	23,091	31,720
Grants	11,058	4,513
	<u>34,149</u>	<u>36,233</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Army Museums Ogilby Trust	11,058	2,713
Waterloo 200 Ltd - The Maker Revolution Project	-	1,800
	<u>11,058</u>	<u>4,513</u>

7. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Shop expenditure	1,650	1,522
Museum event expenses	33	284
Bad debts	816	-
	<u>2,499</u>	<u>1,806</u>

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

7. RAISING FUNDS - continued

Investment management costs

	2023	2022
	£	£
Investment management fees	<u>1,496</u>	<u>228</u>
Aggregate amounts	<u>3,995</u>	<u>2,034</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
Education of the public in history and military accomplishments	<u>79,053</u>	<u>6,268</u>	<u>85,321</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Staff costs	65,771	55,059
Insurance	3,172	2,525
Education	463	69
Collection management	2,185	-
Postage and stationery	281	113
Advertising	795	196
Sundries	636	29
Website and internet	1,010	677
Repairs and renewals	148	142
Bank and credit card charges	620	1,312
Computer expenses	160	1,390
Telephone	-	111
Depreciation	3,492	4,038
Subscriptions	<u>320</u>	<u>414</u>
	<u>79,053</u>	<u>66,075</u>

10. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Education of the public in history and military accomplishments	<u>63</u>	<u>6,205</u>	<u>6,268</u>

11. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Depreciation - owned assets	2,892	3,401
Deficit on disposal of fixed assets	-	2,374
Website development costs amortisation	600	637
Independent examiners fees	<u>1,940</u>	<u>2,400</u>

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 or for the year ended 31 March 2022.

Trustees' expenses

Four trustees were reimbursed £803 for travel expenses incurred during the year ended 31 March 2023 (2022: £NIL).

13. STAFF COSTS

	2023 £	2022 £
Salaries	65,117	54,963
Social security	-	-
Pension contributions	654	96
	<u>65,771</u>	<u>55,059</u>
Number of employees	6	5
Equivalent full time employees	4	2

No employee received emoluments in excess of £60,000.

The total key management personnel remuneration benefits paid during the year was £31,451 (2022: £32,861).

There were no termination payments in the year ended 31 March 2023 (2022: £1,206).

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	46,188	-	46,188
Charitable activities			
Education of the public in history and military accomplishments	31,720	4,513	36,233
Other trading activities	7,515	-	7,515
Investment income	4,954	-	4,954
Other income	9,981	-	9,981
Total	<u>100,358</u>	<u>4,513</u>	<u>104,871</u>
EXPENDITURE ON			
Raising funds	2,034	-	2,034
Charitable activities			
Education of the public in history and military accomplishments	73,818	4,513	78,331
Total	<u>75,852</u>	<u>4,513</u>	<u>80,365</u>
NET INCOME	24,506	-	24,506
RECONCILIATION OF FUNDS			
Total funds brought forward	885,054	-	885,054

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	<u>909,560</u>	<u>-</u>	<u>909,560</u>

15. INTANGIBLE FIXED ASSETS

	Website development costs £
COST	
At 1 April 2022 and 31 March 2023	<u>3,000</u>
AMORTISATION	
At 1 April 2022	400
Charge for year	<u>600</u>
At 31 March 2023	<u>1,000</u>
NET BOOK VALUE	
At 31 March 2023	<u>2,000</u>
At 31 March 2022	<u>2,600</u>

16. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2022	-	31,889	3,169	35,058
Additions	<u>390,000</u>	<u>-</u>	<u>-</u>	<u>390,000</u>
At 31 March 2023	<u>390,000</u>	<u>31,889</u>	<u>3,169</u>	<u>425,058</u>
DEPRECIATION				
At 1 April 2022	-	28,626	444	29,070
Charge for year	<u>650</u>	<u>1,925</u>	<u>317</u>	<u>2,892</u>
At 31 March 2023	<u>650</u>	<u>30,551</u>	<u>761</u>	<u>31,962</u>
NET BOOK VALUE				
At 31 March 2023	<u>389,350</u>	<u>1,338</u>	<u>2,408</u>	<u>393,096</u>
At 31 March 2022	<u>-</u>	<u>3,263</u>	<u>2,725</u>	<u>5,988</u>

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

17. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 April 2022 and 31 March 2023	<u>15,853</u>
NET BOOK VALUE	
At 31 March 2023	<u>15,853</u>
At 31 March 2022	<u>15,853</u>

The Museum has a collection of military artefacts covering the last 300 years which are held in support of the Museum's primary objective of increasing knowledge, understanding and appreciation of the regiment.

The trustees do not consider that reliable cost or valuation information can be obtained for the vast majority of items held in the collection of artefacts. This is because of the diverse nature of the assets held, the number of assets held and the lack of comparable market values. The Museum does not therefore recognise these assets on its Balance Sheet, other than recent acquisitions which are reported at cost, where the object is purchased, or at the Museum curator's best estimate of current value where the object is donated.

Expenditure which, in the trustees' view, is required to preserve or clearly prevent further deterioration of individual collection items is recognised in the SOFA when it is incurred.

The main heritage assets recognised in the Balance Sheet include:

- A letter written by Walter Dunne following the defence of Rorke's Drift. This was acquired at auction on 15th November 2014. The total cost after grants towards the purchase was £4,755.
- A portrait of an officer of the 24th Regiment of Foot by Sir George Chalmers, 1754. The portrait was purchased for £7,200 on 20 June 2019.
- A portrait of a young officer of the 41st (The Welsh) Regiment on foot was purchased for £1,704 in March 2021.

The Museum maintains a register for its collections of heritage assets which records the nature, provenance and current location of each asset.

18. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2022	28,118
Additions	440,152
Disposals	(42,474)
Revaluations	<u>8,326</u>
At 31 March 2023	<u>434,122</u>
NET BOOK VALUE	
At 31 March 2023	<u>434,122</u>
At 31 March 2022	<u>28,118</u>
	2023 2022
	£ £
UK bonds and equities	100,639 -
Overseas equities	239,961 -
Other investments	87,609 -
UK cash held as part of portfolio	<u>5,913</u> <u>28,118</u>
	<u>434,122</u> <u>28,118</u>

The historical cost of the investments held at 31 March 2023 was £427,268 (2022: £28,118).

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

18. FIXED ASSET INVESTMENTS - continued

All investments are held to primarily provide a return for the charity.

19. STOCKS

	2023	2022
	£	£
Stocks	<u>14,493</u>	<u>8,430</u>

20. DEBTORS

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	6,749	3,961
Other debtors	442	20
Other loans	3,685	3,625
Prepayments and accrued income	<u>362</u>	<u>463</u>
	<u>11,238</u>	<u>8,069</u>
Amounts falling due after more than one year:		
Other loans	<u>255,285</u>	<u>258,970</u>
Aggregate amounts	<u>266,523</u>	<u>267,039</u>

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	456	3,000
Other creditors	127	-
Accruals and deferred income	<u>2,500</u>	<u>2,500</u>
	<u>3,083</u>	<u>5,500</u>

22. MOVEMENT IN FUNDS

	At 1/4/22	Net movement in funds	Transfers between funds	At 31/3/23
	£	£	£	£
Unrestricted funds				
General fund	122,524	397,106	8,000	527,630
Designated fund - Future museum move or renovation	500,000	-	-	500,000
Designated fund - Fixed assets fund	24,441	(2,842)	-	21,599
Designated fund - Loan to sister museum	<u>262,595</u>	<u>4,375</u>	<u>(8,000)</u>	<u>258,970</u>
	<u>909,560</u>	<u>398,639</u>	<u>-</u>	<u>1,308,199</u>
TOTAL FUNDS	<u>909,560</u>	<u>398,639</u>	<u>-</u>	<u>1,308,199</u>

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

22. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	465,731	(75,416)	6,791	397,106
Designated fund - Fixed assets fund	-	(2,842)	-	(2,842)
Designated fund - Loan to sister museum	4,375	-	-	4,375
	470,106	(78,258)	6,791	398,639
Restricted funds				
Museum Staff Fund	11,058	(11,058)	-	-
TOTAL FUNDS	<u>481,164</u>	<u>(89,316)</u>	<u>6,791</u>	<u>398,639</u>

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	27,239	24,109	71,176	122,524
Designated fund - Future museum move or renovation	500,000	-	-	500,000
Designated fund - Fixed assets fund	26,655	(4,038)	1,824	24,441
Designated fund - Loan to sister museum	266,160	4,435	(8,000)	262,595
Designated fund - policy reserve 2 years	40,000	-	(40,000)	-
Designated fund - COVID support	25,000	-	(25,000)	-
	885,054	24,506	-	909,560
TOTAL FUNDS	<u>885,054</u>	<u>24,506</u>	<u>-</u>	<u>909,560</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	95,923	(71,814)	24,109
Designated fund - Fixed assets fund	-	(4,038)	(4,038)
Designated fund - Loan to sister museum	4,435	-	4,435
	100,358	(75,852)	24,506
Restricted funds			
Maker Revolution Project	1,800	(1,800)	-
Museum Staff Fund	2,713	(2,713)	-
	4,513	(4,513)	-
TOTAL FUNDS	<u>104,871</u>	<u>(80,365)</u>	<u>24,506</u>

Designated fund - Future Museum move or renovation

Funds of £500,000 have been set aside by the Board towards a future Museum move or renovation.

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

22. MOVEMENT IN FUNDS - continued

Designated fund - Fixed asset fund

Funds of £21,599 have been set aside to match the net book value of intangible assets, tangible fixed assets and Heritage assets.

Designated fund - Loan to sister Museum

Funds of £258,970 have been set aside to match a loan balance due to the charity from a sister Museum, Firing Line Limited.

Museum Staff Fund

Funding was received from the Army Museums Ogilby Trust, to cover the costs of hours worked by one member of staff in their capacity as a civil servant.

Prior year funds

Designated fund - Policy operating reserve

Funds had been specifically set aside to cover two years of operating costs of the Museum as a policy reserve. No spend was incurred during the financial year, therefore a decision has been made to transfer the funds back to the general fund.

Designated fund - COVID support

Funds of £25,000 unspent at the year end have been set aside for best use by the Board. No spend was incurred during the financial year, therefore a decision has been made to transfer the funds back to the general fund.

Maker Revolution Project

Funded by Waterloo 200 Ltd, this is an educational legacy project. The museum has invited by the project to take part and was the only Welsh museum to be involved. Working alongside Christ College.

Transfers between funds

A transfer of £8,000 has been made from the designated loan to sister museum fund to the general fund, representing loan repayments in the year.

Prior year transfers

A transfer of £1,824 has been made from the general fund to the designated fixed assets fund representing capital movements.

A transfer of £8,000 has been made from the designated loan to sister museum fund to the general fund, representing loan repayments in the year.

The following transfers have been made from designated funds back to the general fund as no costs were incurred, and the fund is no longer considered necessary:

- Policy reserve £40,000
- COVID Support £25,000

23. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution scheme. The pension costs charge for the year represents contributions payable by the charity to the scheme and amounted to £654 (2022 - £96). At the year end there were outstanding contributions of £127 (2022 - £Nil).

24. CONTINGENT LIABILITIES

One of the conditions of the bequest, which has been recognised as an addition to freehold property of £390,000, is that on sale of the property the remaining loan balance due from Firing Line Limited will be treated as settled. The amount of the loan at the 31 March 2023 was £258,970.

THE ROYAL WELSH REGIMENTAL MUSEUM TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

25. RELATED PARTY DISCLOSURES

During the year the charity entered into transactions with the following related parties:

Name of related party	Relationship
Firing Line Limited	Trustees in common
The Friends of the Royal Welsh Regimental Museum	Trustees in common

Name of related party	Transaction	2023	2022
		£	£
Firing Line Limited	Loan interest receivable	4,375	4,435
The Friends of the Royal Welsh Regimental Museum	Grant received	3,502	800

Name of related party	Nature of balance	2023	2022
		£	£
Firing Line Limited	Loan debtor	258,970	262,595

At the 31 March 2023 an amount of £45 (2022: £Nil) was owed by a trustee, Dorcas Cresswell to the charity in respect of an overpayment in relation to a reimbursement of costs incurred for a trustee lunch.

During the year the charity received an unconditional donation of £40 from one trustee (2022: £Nil).

26. FINANCIAL INSTRUMENTS

	2023	2022
	£	£
Financial assets		
Financial assets measured at fair value through SOFA	434,122	28,118
Financial assets that are debt instruments measured at amortised cost	<u>465,849</u>	<u>862,038</u>
	<u>899,971</u>	<u>890,156</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>2,803</u>	<u>5,500</u>

Financial assets measured at fair value comprise of fixed asset investments.

Financial assets measured at amortised cost comprise of cash, stock, trade debtors, other debtors and other loans.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals.