

**The Household
Cavalry
Foundation**
**Annual Report and
Financial statements**

31 March 2025

Charity Registration Number
1151869

Company Registration Number:
08236363 (England and Wales)

Contents

Reports

Reference and administrative details	1
Trustees' report	3
Independent auditor's report	16

Financial statements

Statement of financial activities	21
Balance sheet	22
Statement of cash flows	23
Principal accounting policies	24
Notes to the financial statements	28

Reference and administrative details

Trustees	Brigadier MSP Berry (Chairman) Lieutenant Colonel (Retired) JP Eyre (Deputy Chairman) Lady JM Grosvenor Captain JR Dove RFD Fryer, Esq.
Director	Lieutenant Colonel (Retired) GGE Stibbe, OBE
Company Secretary and Secretary to the Trustees	Lieutenant Colonel (Retired) RRD Griffin
Principal office	Headquarters Household Cavalry Horse Guards Whitehall London SW1A 2AX
Charity registration number	1151869
Company registration number	08236363 (England and Wales)
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Accountant	CP Harmsworth FCCA Wick Meadows Wickford Essex SS12 9RP
Bankers	Royal Bank of Scotland plc Holt's Farnborough Branch 200 Fowler Avenue Farnborough Business Park Farnborough GU14 7JP
Investment managers	Cazenove Capital Management Limited 1 London Wall Place London EC2Y 5AU

Reference and administrative details

	W1M (London & Capital and Waverton Investment Management Limited) 16 Babmaes Street London SW1Y 6AH
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

The trustees present their statutory report together with the financial statements of the Household Cavalry Foundation ("the charity" or HCF) for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out on pages 23 to 27 and comply with the charity's Articles of Association and applicable law. The requirements 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 United Kingdom and Republic of Ireland (FRS 102) have been followed in the preparation of this report and financial statements.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governing Documents

The charity constitutes a company, limited by guarantee as defined by Companies Act 2006. The charity is governed by its Articles of Association dated 2 October 2012 (amended by a special resolution dated 16 April 2013 and 3 November 2016) and by a Charity Commission Order dated 2 May 2013.

The Household Cavalry Serving Officers' Trust was transferred to the Household Cavalry Foundation on 21 December 2016 and this transfer was confirmed by Deed of Amendment on 22 December 2016.

Objects

The Household Cavalry Foundation exists to provide charitable and pastoral support to all the members of the Household Cavalry family, whether they are serving Soldiers, Casualties, Veterans or their dependants.

The charity supports the protection and development of the Household Cavalry's history and heritage, and the welfare of retired horses.

The objects for which the charity is established are:

- ◆ the promotion of the military efficiency of the Household Cavalry by any charitable means the trustees may decide, including without limitation by fostering and preserving the traditions of the Household Cavalry and of any component of predecessor regiment or unit;
- ◆ to promote and protect the health of those that have been wounded or injured, whether on active service or otherwise, whilst serving in the Household Cavalry, or at the trustees' discretion;
- ◆ the relief of hardship or distress among members and former members of the Household Cavalry, members of their families and other dependants, including without limitation by providing financial support to families or other dependants of those who have lost their lives on active service;

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Objects (continued)

- ♦ to advance the education of the public and of members and former members of the Household Cavalry in the history, heritage, and traditions of the military accomplishments of the Household Cavalry including without limitation by supporting a museum or museums, archives and collections;
- ♦ to promote humane behaviour towards serving or retired Household Cavalry Horses by providing appropriate care, protection, treatment and security for horses in need of care and attention; and
- ♦ such other exclusively charitable purposes relating to the Household Cavalry as the trustees in their absolute discretion think fit.

The charity's operational stakeholders include the following:

- ♦ Headquarters Household Cavalry;
- ♦ Headquarters Household Division;
- ♦ Unit Welfare Officers;
- ♦ Household Cavalry Museum Trust Limited;
- ♦ The Life Guards' Regimental Association;
- ♦ The Blues & Royals' Regimental Association.

Trustees

The following trustees were in office at the date the financial statements were approved, and served throughout the year, except where shown.

Trustees	
Brigadier MSP Berry (Chairman)	
Lieutenant Colonel (Retired) JP Eyre (Deputy Chairman)	
Lady JM Grosvenor	
Major JR Dove	
RFD Fryer, Esq.	

No trustee received any remuneration for services as a trustee.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustee recruitment and appointment

The charity regularly reviews the skills necessary at board level and identifies where there are gaps. Proposed trustees individually meet all existing trustees in advance and are invited to attend a trustees' meeting before their appointment. This is so these proposed trustees may be assessed by the extant trustees for suitability and, where appropriate, relevant professional qualifications, diversity and experience. New trustees also sign a declaration confirming that they are not ineligible to be charity trustees. The trustees each serve for at least three years and are deliberately chosen to represent all aspects of Household Cavalry life and provide relevant expertise.

The Foundation's Articles of Association dated 3 November 2016 state:

- ◆ "trustees shall always aspire to, but not be obliged to, achieve a majority of serving or retired officers of the Household Cavalry on the board of trustees"; and
- ◆ "No trustee may serve for a period longer than six consecutive years without retiring for at least one complete year. Where a majority of the other trustees agree it would assist with the work of the charity, this rule may be disapplied in respect of a particular trustee".

Trustee induction and training

New trustees receive a comprehensive pack of information including a copy of the charity's governing document. Board members attend training, where possible, to refresh knowledge of board governance matters and charity law.

Trustees' responsibilities statement

The trustees (who are also directors of the Household Cavalry Foundation for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charitable company's affairs and of the income and expenditure of the charitable company 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 in 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;

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees' responsibilities statement (continued)

- ◆ 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 and the provisions of the charity's Articles of Association. 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.

In so far as the trustees are aware:

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

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 legislations in other jurisdictions.

Key management personnel

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis are considered to be the trustees of the charity and the Director. All strategic and other key decisions are made by them. None of the trustees are remunerated for their role as trustees nor in their role as a member of the key management team. The Director's salary is set by the trustees and is reviewed annually with consideration given to charity sector salaries and pay indices. Details of key management personnel's pay are set out in note 7.

Organisational structure and management reporting

The trustees are ultimately responsible for the charity and meet at least twice a year, in spring and autumn.

Day-to-day functions are delegated to the Director. The appointment of the Director is undertaken by the trustees. The trustees are responsible for agreeing objectives for the Director and monitoring these on a regular basis. The Director reports to the trustees on a regular basis, both formally and informally.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Organisational structure and management reporting (continued)

The Director provides the operational delivery of transparent and accurate administration, implementation of procedures and controls, along with regular reporting. This enables the trustees to take reasonable and informed steps to detect or prevent any irregularities including misappropriation of funds or fraud.

Risk management

The charity, like any organisation, is exposed to several risks. Some of these are particular to the charity and its work; many are generic. It is the responsibility of the trustees to anticipate these risks and to ensure that procedures are in place to mitigate them.

The charity has implemented efficient systems, including operational and financial controls, to mitigate risk and enable the trustees, on a regular basis, to review any major risks to operational areas, finances and reserve levels.

The main generic risks this financial year was global economic uncertainty linked to events in the Middle East and Russia's continuing invasion of Ukraine and legacy economic problems that are the outcome of the Coronavirus (Covid-19) pandemic. All had an unprecedented social and economic effect across the world on a scale not seen for at least 80 years. Initially high inflation, that reduced during this reporting period, and the effect of the economic policy of the new United Kingdom government may cause a reduction in reduced incomes and so reduced donations to the Foundation.

The Foundation continues to face three perennial challenges and risks:

- ◆ **Latent Staff resilience.** There is latent strength-in-depth despite the fact that there is only one full-time employee, the Director, with a primary financial budgetary and fundraising role. The Chairman of the trustees is the alternate director. Formal authorisation for invoice payment is electronic. The management accounts are formally checked monthly by representatives of the trustees. The transparency of these documents facilitates review and oversight of the Director's role by any of the trustees.
- ◆ **Lack of investment income.** Triennial Reviews, Annual Visits and Quarterly Checks of Fund Managers are established routine. These reviews endorsed the risk-reducing status quo of holding 60% of the capital value of the charity's portfolio with Cazenove Capital Management's Charity Multi-Asset Fund and the remaining 40% with Waverton Investment Management's Charity Growth and Income Fund.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

Quarterly Reviews by the Finance Trustee enable trustees to monitor the charity's investments in inherently dynamic times unprecedented for nearly eight decades.

- ♦ **Lack of income from donors.** Possible donor fatigue, exacerbated by an unpredictable economy, is mitigated by the trustees' focus on building enduring relationships with regular donors. So far these have proved to be resilient to the prevailing economic situation. State ceremonial duties keep the Household Cavalry in the "public eye". Visits to both our regiments (operational and ceremonial) ensure our donors meet our soldiers. This is a proven strategy because extant and potential donors meet soldiers who deploy on both war-fighting operations and ceremonial duties; this confirms the enduring versatility of Household Cavalry soldiers.

The trustees aim to match demand for help from the charity with their ability to raise follow-on funding to meet other priority needs as they arise. This prioritisation is fundamental to the support for all members of the Household Cavalry "family" that the charity offers to our operational casualties, our serving soldiers, our veterans and their dependents, and also, when applicable, to our heritage and the welfare of our retired horses.

Our risk management framework encourages smaller targeted fundraising events which do not involve significant up-front capital outlay or any extra work for our already busy soldiers.

ACTIVITIES AND PUBLIC BENEFIT

The charity provides public benefit by the provision of welfare grants and donations that help serving and retired Household Cavalry regimental personnel, and their dependants, who are in need, hardship or distress.

In addition, the charity enables Regimental personnel to perform their roles more effectively as members of the Armed Forces of The Crown. It does this by supporting educational, sporting and adventure training activities.

This assistance enables Regimental personnel to develop and maintain teamwork, skills, fitness, confidence, character and morale. This is especially important after operational tours as some confront the consequences of their military service; for example, latent Post-Traumatic Stress Disorder (PTSD). Support is available to all personnel who served on operations with Household Cavalry Battle Groups.

The charity promotes the efficiency of the Armed Forces of The Crown by enhancing the British Army's capability to undertake the roles demanded of it, including the defence of the United Kingdom and its international interests.

The funds to support the above activities are generated from investments, and by encouraging donations to the charity, and also from carefully selected events.

In formulating the aims of the charity and in planning its activities, the trustees have regard to the Charity Commission's general guidance on public benefit, ensuring that the work undertaken by the charity is in line with its charitable objects and aims.

ACHIEVEMENTS FOR THE YEAR

Direction

During an economically challenging financial year, affected by significant global events, trustees' direction maintained the established focus on selected donors and targeted events; especially those events that minimise extra work for already busy serving soldiers. Inherently flexible governance enables trustees to adapt fast to dynamic challenges.

Fundraising

Loyalty is confirmed by the "mission critical" financial support given by extant donors despite continuing economic and political challenges that are unprecedented for eight decades. The Foundation's donation, legacy and events' income this year was £504,880 (2024: £497,350); the increase in income was driven by a strong year for fundraising with specially chosen events. More than ever, since the charity was founded over a decade ago, fundraised income is "mission critical" and the trustees' focus - donors and carefully selected events - is proven. Trustees are also extremely grateful to those who remember this charity by legacies in their wills. This is increasing as an income source.

This Financial Year saw a return to a routine established before the Covid epidemic and two years of more significant State Ceremonial events than for the previous seven decades. So "hardy perennial" events continue to provide vital funding. Two examples are an annual Dinner at Buck's Club which was founded by a Household Cavalryman after World War 1; and the latest "Through Music We Care" concert for this charity. Led by The Bandmaster, this was in The City of London on Thursday 6 March 2025. It again proved the quality of the British Army's largest and most senior State Band with its unique mounted ceremonial role.

This charity also gratefully received generous donations from another fundraising Dinner held by Warrant Officers and Non-Commissioned Officers, from a sculptor working with our Mounted Regiment and our runner in the annual London Marathon. For the first time one of our Army Cadets kindly raised money for this charity by marching from London to Windsor. This charity supports two of his instructors who are both operational casualties.

Events remain carefully selected because they are less financially risky than organising events, which before 2016, while sometimes popular, never guaranteed income. Before 2016 events also often unacceptably increased the workload of already busy Household Cavalry soldiers. Soldiers now receive Extra-Duty Pay if they help this charity outside peacetime working hours. This charity's most original publicity remains on a London taxi driven by a civilian rider-out at our Mounted Regiment.

Welfare

The charity and The Life Guards' and The Blues & Royals' Regimental Associations all pay similar annual amounts on welfare. Although the LifeGuards' Regimental Association remains outside the Foundation's overall investment portfolio, it is included in all relevant welfare case considerations.

During the year ended 31 March 2025, Trustees paid the last of the children, who lost their fathers on operations during this century, from the Fund created to help their education when they reached their eighteenth birthdays. This Fund was then closed.

ACHIEVEMENTS FOR THE YEAR (continued)

Welfare (continued)

The Household Cavalry's global support links via zip/postcode-based volunteers to Regimental Welfare Officers and Home Headquarters Household Cavalry continue to prove genuinely viable as described in the Household Cavalry Welfare Guide. Its two pages with a flow chart are confirmed as user-friendly by our global Household Cavalry "family" of about 10,000 All Ranks: 1000 Serving Soldiers and 9000 Veterans, and their Dependants. Camaraderie and feedback from our Regional Dinners is also extremely helpful. One key result of these combined initiatives is emergency cases are resolved fast.

Operational Casualties are this charity's specific responsibility. A bonus is Household Cavalry personnel working in the Ministry of Defence's Recovery Capability nationwide network of Personnel Recovery Centres that are funded by key partners: The Royal British Legion and Help for Heroes. There, serving and veteran wounded, injured and longterm sick service personnel mentor each other and boost mutual morale as they face challenges often posed by the transition from military to civilian life.

Our two Operational Casualties who remain Ascot War Horse Memorial Scholars, achieved more success: Corie Mapp is the 2024-5 para-bobsleigh season World Champion and World Cup winner: his best-ever result. Corie also plays Sitting Volleyball. All Corie's sponsorship is specifically for him and so is independent of our Operational Casualties' Fund.

Like Corie Mapp, Clifford O'Farrell is an Army Cadet Force Instructor. Clifford is congratulated on promotion to Staff Sergeant Instructor. He has ensured the Army Cadet detachment affiliated to the Household Cavalry (18 Troop) continued to improve with key support. 18 Troop now has thirty-five cadets and five adult instructors. After expert instruction one cadet was awarded a Praiseworthy Action certificate for providing first aid to a casualty. Another did a fundraising march from London to Windsor. Following his awards for best new instructor and best adult shot in 2023, Richard Ward consolidated these achievements - unique for a double-amputee - by qualifying as a Skill at Arms' Instructor.

Their next challenge is a potential new riding course for cadets. Once accepted by the Army Cadet Force, it may prove to be a key source of recruits for the Household Cavalry: a significant advantage of co-location with its Training Wing in Windsor.

Clifford is also re-establishing cadet training for Windsor's Saint John Ambulance branch. His focus is inevitably on leadership training as well as First Aid Clifford's second priority is Signals' training to be used towards cadets' BTEC level 2 qualifications.

2024-5 was a mixed year for Mark Howard who sadly dislocated a shoulder and broke its socket. After an operation to stabilise his shoulder, his ambition remains to be the first Wheelchair user to complete the London classics in the same year - Marathon, Ride London and Serpentine swim - before being the first "Wheelie" to attempt The Three Peaks challenge and The Dragon Ride, Britain's hardest cycle event.

This charity's two key Welfare priorities remain:

-To prepare for the gradual emergence of latent Post-Traumatic Stress Disorder (PTSD). Research by King's College, London University claims 88/1,000 (9%) deployed will suffer future PTSD. Sadly, alcohol dependency is also sometimes linked to PTSD.

ACHIEVEMENTS FOR THE YEAR (continued)

Welfare (continued)

-To ensure the continual quality of prosthetics for our Wounded, Injured and Sick (WIS).

Former Household Cavalry officer Robin Bourne-Taylor's genuinely user-friendly Military App, continues to develop as the default go-to setting on Household Cavalry personnel's mobile telephones. Robin's nationwide "Walk and Talk" initiative continued to progress this year. For example, its obvious links to adventurous training exemplified by The Guards' Mountaineering and Climbing Club for both Serving and Veteran soldiers founded by Alistair Galloway. Annual Household Cavalry help is matched by support from the Foot Guards and Headquarters Household Division.

Both our Regiments and our Band again received annual funding that was increased on a *per capita* basis to enhance their soldiers and dependants' Quality of Life. Positive results aid recruiting and retention. All capbadges serving with the Household Cavalry are supported. These include our "mission critical" repair mechanics, and our Band.

Heritage

The Serving Officers' Trust (part of this charity since 2016) continues to rationalise its pictures, silver, furniture and albums, and is grateful for significant support from retired officers and their families exemplified by two new Daresbury Albums. 10-year revision of our definitive Christie's catalogues was completed. The charity offers similar property conservation support to both our Warrant Officers & Non-Commissioned Officers' Messes. Maintenance of Household Cavalry war memorials in churches, cemeteries and Commonwealth War Graveyards is supported by the charity and both Regimental Associations.

Horses

This year's fund was given to our Mounted Regiment for equipment not provided by the Ministry of Defence. Key links remain with the Defence Animal Centre, World Horse Welfare, the Stirling Trust and the Horse Trust.

Finance and administration

- ◆ The charity's two staff remain one full-time Director, Lieutenant Colonel Giles Stibbe, and one part-time Finance Administrator, Mrs Mary Edwards.
- ◆ Annual reviews ensure the Foundation's audit, banking and insurance costs remain competitive.
- ◆ Gift Aid is applied whenever possible.
- ◆ The majority of The One Day's Pay Scheme (paid voluntarily by serving officers and soldiers) is paid to The LifeGuards' and The Blues & Royals' Regimental Associations.
- ◆ The fundraising process for the charity and both Regimental Associations remains user-friendly and easy: entry fees and kit are subsidised. Serving soldiers apply via

ACHIEVEMENTS FOR THE YEAR (continued)

Finance and administration (continued)

- ◆ their Chain-of-Command, and Veterans either directly or via the Home HQ of their Regimental Associations.
- ◆ All retail activities remain coordinated by the Household Cavalry Museum's shop. The only exceptions are some specific uniform items supplied by Quartermasters, and cards and diaries marketed by Home Headquarters Household Cavalry.
- ◆ Only The Life Guards' Regimental Association remains outside the charity's investment portfolio, but it is included in all relevant welfare case considerations.
- ◆ The Household Cavalry Foundation as well as The Life Guards' and The Blues & Royals' Regimental Associations all pay similar annual amounts on welfare.

FINANCIAL REVIEW

Results for the year and financial position

Total income for the year amounted to £504,880 (2024 – £497,350).

Expenditure totalled £588,508 (2024 – £546,035), due to increased grants awarded during the year of £299,171 (2024 – £276,040) offset by a small decrease in expenditure on raising funds £117,588 (2024 – £117,868), £17,712 (2024 – £19,874) being in respect to investment manager's fees and the balance generating donations of £248,680 (2024 – £234,831). Net realised and unrealised investment gains for the year totalled £1,594 (2024 – gain £328,442).

Therefore, the net movement in funds for the year was a decrease of £82,034 (2024 – increase £279,757).

Total funds at 31 March 2025 amounted to £4,445,899 (2024 – £4,527,933) of which £2,323,942 were restricted (2024 – £2,416,419) and £2,121,957 were unrestricted or general funds (2024 – £2,111,514). Included within unrestricted funds is a designated fund of £235,000 (2024 – £210,000) which has been set aside to help towards the cost of the next Standards' Parade where the Monarch, as Colonel-in-Chief of the Household Cavalry, will present new Standards. It is anticipated this parade will take place during the next decade. Free reserves at 31 March 2025 therefore amounted to £1,886,957 (2024 – £1,901,514).

Investment policy

The portfolio has benefited from the recovery of global stock markets following the onset of the pandemic. The charity's investments are managed by professional investment managers who were reviewed during the year. There are no restrictions on the charity's power to invest.

The investment strategy is set by the trustees with advice from their investment managers. The strategy takes into account the charity's income requirements for the year, the appropriate risk profile and the investment managers' view of the market prospects in the medium term.

Investment policy (continued)

The policy is to maximise total return through a diversified portfolio whilst providing a level of income as advised by the trustees from time to time. The performance of the portfolios and the charity's investment strategy are reviewed by the trustees whose representatives meet with the investment managers every six months.

Included within investments are monies advanced to the charity by the Household Cavalry and its associated funds. Income and gains (or losses) accruing from these monies are added (or deducted) from these funds and the balances due are reflected within the creditor figures in the attached financial statements.

Reserves policy

It is the trustees' intention to build up sufficient reserves within the charity, through fundraising initiatives and returns on investments, to meet liabilities as they fall due and to enable the continued development of the charity's objectives.

The charity generates income largely through fundraising and investments and, therefore, it is subject to fluctuation from year to year. As a result, the charity has a Reserves' policy that no less than four months of costs, equating to approximately £200,000 are typically to be held as a cash reserve, to provide protection against such fluctuations and enable it to continue operating in all circumstances and following all eventualities, including any significant unexpected fall in income. At times it may hold significantly more cash if there are known future commitments and if there is a wider concern about prevailing market conditions. For example, the cash reserve is also influenced by the special costs of future Standards' Parades.

The reserves policy is, and will continue to be, reviewed annually by the trustees. The total value of free reserves at 31 March 2025 of £1,886,957 (2024 – £1,901,514) is in excess of this policy at the current time. The trustees are conscious of the fact that income generation in the current climate is difficult, yet the need for the charity's support remains as high as ever. Therefore, for the time being the trustees consider the charity's free reserves to be adequate but not excessive and at a level appropriate to cover the charity's commitments and guard against any reasonably foreseeable downturn in income.

FUNDRAISING POLICY

The charity is committed to following the Code of Fundraising Practice and the fundraising promise as administered by the Fundraising Regulator. HCF raises funds in four main ways:

- ◆ From its investment portfolio, as administered by professional investment managers;
- ◆ Donations from individuals;
- ◆ Holding occasional fundraising events; and
- ◆ Through applications to grant-giving trusts.

FUNDRAISING POLICY (continued)

The charity does not routinely make direct approaches to the general public for fundraising purposes. Contact with individual donors is usually at their instigation but occasionally the charity does approach those already engaged with the charity.

The charity occasionally engages third party fundraisers to approach individuals on its behalf. Where this occurs, contracts are drawn up with a clear and specific remit and the charity closely monitors any fundraising activity undertaken on its behalf.

Individuals sometimes volunteer to raise funds on our behalf; for example, sponsored sports' activities. Such activities are usually undertaken independently of the charity. The charity has not received any complaints about its fundraising activity during the year.

FUTURE PLANS

The charity's priority aim is to manage any threat posed by an economically volatile financial year exacerbated by both political factors and lingering global health problems. Its most significant operational risk is the long-identified possible increase in latent Post-Traumatic Stress Disorder (PTSD) that is no respecter of rank. It will focus on adjusting a proven fundraising process of carefully targeted events and new and extant donors. This will exploit suitably innovative opportunities such as more cooperation with similar mutually supportive charities. These are exemplified by the annual support for our operational casualty and world para-bobsleigh champion and cup-winner, Corie Mapp, who has also been selected to join a re-established GB Sitting Volleyball Team to compete in the next Paralympics.

Signed on behalf of the trustees



Rupert Fryer

(Trustee)

Approved on:

1/12/2025

Independent auditor's report to the members of the Household Cavalry Foundation

Opinion

We have audited the financial statements of the Household Cavalry Foundation (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon.

Other information (continued)

The trustees are responsible for the other information contained within the annual report and financial statements.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing risks the risks of material mis-statement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006) and those that relate to the Code of Fundraising Practice issued by the Fundraising Regulator.

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ performed substantive testing of expenditure including the authorisation thereof;
- ◆ reviewed journals to identify unusual transactions; and
- ◆ assessed whether the judgements and the assumptions made in determining the probability of the receipt of legacy income and the value of the listed investments payable to other organisations on demand were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ review of the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink that reads "Buzzacott Audit LLP". The signature is written in a cursive, flowing style.

3 December 2025

Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Statement of financial activities Year to 31 March 2025
(Including an income and expenditure account)

	Notes	Un- restricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Un- restricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Income and expenditure							
Income from:							
Donations and legacies	1	297,853	40,413	338,266	239,299	92,522	331,821
Investments and interest receivable	2	92,947	73,667	166,614	89,375	76,154	165,529
Total income		390,800	114,080	504,880	328,674	168,676	497,350
Expenditure on:							
Raising funds	3	109,155	8,433	117,588	108,295	9,573	117,868
Charitable activities							
. Assisting service personnel and dependants	4	272,085	198,835	470,920	337,390	90,777	428,167
Total expenditure		381,240	207,268	588,508	445,685	100,350	546,035
Net (expenditure) income before investment gains		9,560	(93,188)	(83,628)	(117,011)	68,326	(48,685)
Net gains on investments		883	711	1,594	170,604	157,838	328,442
Net (expenditure) income for the year		10,443	(92,477)	(82,034)	53,593	226,164	279,757
Transfers between funds	13	-	-	-	(2,000)	2,000	-
Net movement in funds		10,443	(92,477)	(82,034)	51,593	228,164	279,757
Fund balances at 1 April		2,111,514	2,416,419	4,527,933	2,059,921	2,188,255	4,248,176
Fund balances at 31 March		2,121,957	2,323,942	4,445,899	2,111,514	2,416,419	4,527,933

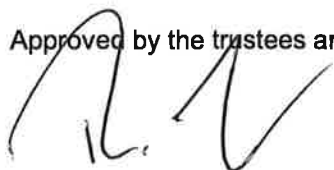
The charity has no recognised gains or losses other than those shown above. All the above results were derived from continuing operations.

Balance sheet 31 March 2025

		2025 £	2025 £	2024 £	2024 £
Fixed assets					
Investments	10		7,460,734		7,276,479
Current assets					
Debtors	11	64,211		71,354	
Short term deposits		-		100,000	
Cash at bank and in hand		370,294		433,820	
		<u>434,505</u>		<u>605,174</u>	
Liabilities					
Creditors: amounts falling due within one year	12	(3,449,340)		(3,353,720)	
Net current liabilities			<u>(3,014,835)</u>		<u>(2,748,546)</u>
Total assets less current liabilities			<u>4,445,899</u>		<u>4,527,933</u>
Total net assets			<u>4,445,899</u>		<u>4,527,933</u>
Represented by:					
The funds of the charity:					
Restricted funds	13		2,323,942		2,416,419
Unrestricted funds					
- General funds			1,886,957		1,901,514
- Designated funds	14		235,000		210,000
			<u>4,445,899</u>		<u>4,527,933</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

Approved by the trustees and signed on their behalf by:



Rupert Fryer

(Trustee)

Approved on:

1/12/2025

The Household Cavalry Foundation: Charity Registration Number 1151869, Company Registration Number 08236363 (England and Wales)

Statement of cash flows Year to 31 March 2025

	Notes	2025(£)	2024£
Cash flows from operating activities:			
Net cash (used in) operating activities	A	(121,229)	(96,484)
Cash flows from investing activities:			
Investment income and interest received		166,614	165,529
Proceeds from the disposal of investments		14,713	51,618
Invested in short term deposits		100,000	(100,000)
Purchase of investments		(107,808)	(24,881)
Net cash provided by investing activities		173,519	92,266
Change in cash and cash equivalents in the year		52,290	(4,218)
Cash and cash equivalents at 1 April	B	509,204	513,422
Cash and cash equivalents at 31 March	B	561,494	509,204

Notes to the statement of cash flows for the year to 31 March

A Reconciliation of net movement in funds to net cash (used in) operating activities

	2025£	2024£
Net movement in funds (as per the statement of financial activities)	(82,034)	279,757
Adjustments for:		
Losses (gains) on investments	24,656	(552,468)
Investment income and interest receivable	(166,614)	(165,529)
Decrease in debtors	7,143	32,120
Increase in creditors	95,620	309,636
Net cash (used in) operating activities	(121,229)	(96,484)

B Analysis of changes in net debt

	2024£	Cash flows£	2025£
Cash at bank and in hand	433,820	(63,526)	370,294
Cash held by investment managers	75,384	115,816	191,200
Total cash and cash equivalents	509,204	52,290	561,494

Principal accounting policies 31 March 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2025 with comparative information provided in respect to the year to 31 March 2024.

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 financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), 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.

Critical accounting estimates and areas of judgement

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

The principal areas in the financial statements where these judgements and estimates have been made relate to:

- ◆ the allocation of support costs between expenditure headings;
- ◆ determining the value of listed investments held on behalf of associated Household Cavalry organisations;
- ◆ assessing the probability of the receipt of legacy income; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Assessment of going concern (continued)

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The key areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 March 2026, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (please see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

Income is recognised in the period in which the 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 transfers from other registered charities, donations and legacies, income from fundraising events and investment income and interest receivable.

Donations and transfers from other registered charities amounting to 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.

Individuals sometimes volunteer to raise funds on the charity's behalf. 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.

Income recognition (continued)

Investment income comprising dividends and similar income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the 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 and comprises:

- ◆ Expenditure on raising funds, including all expenditure associated with raising funds for the charity by way of donations or fundraising events together with investment management fees.
- ◆ Expenditure on charitable activities including all direct and indirect costs in relation to assisting service personnel and their dependants. Such expenditure includes the provision of donations and grants to service personnel and/or their dependants. These grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the financial statements.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of financial procedures, provision of office services and equipment, and general administration.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are included as a specific category within support costs.

Both support and governance costs are allocated to the cost of assisting service personnel and their dependants.

Heritage assets

Certain assets owned by the charity meet the definition of heritage assets in the Charities SORP FRS 102 and are not valued for the purposes of these financial statements. Further details are provided in note 9 to these financial statements.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date.

Included within investments are monies advanced to the charity by the Household Cavalry and its associated funds which are repayable on demand. Income and gains (or losses) accruing from these monies are added (or deducted) from these funds and the balances due are reflected within the creditors figures in note 12 to these financial statements.

All other realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

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. Deposits for more than three months but less than one year have been disclosed as short term deposits.

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.

Fund accounting

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

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

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.

1 Income from: Donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	163,498	40,413	203,911	142,309	42,522	184,831
Legacies	51,769	-	51,769	-	50,000	50,000
Income from events	33,893	-	33,893	50,887	-	50,887
The Day's Pay Scheme	48,693	-	48,693	46,103	-	46,103
Total funds	297,853	40,413	338,266	239,299	92,522	331,821

The income from events represents donations received at events that were organised by third parties and held on behalf of the Household Cavalry Foundation.

The Day's Pay Scheme is a voluntary payroll giving scheme where participating members of the Household Cavalry Regiments contribute one day's pay per month to the charity.

2 Income from: Investment income and interest receivable

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Investment income	81,457	73,299	154,756	82,403	75,811	158,214
Interest receivable	11,490	368	11,858	6,972	343	7,315
Total funds	92,947	73,667	166,614	89,375	76,154	165,529

3 Expenditure on: Raising funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Staff costs	27,163	-	27,163	26,055	-	26,055
Events and fundraising costs	53,205	-	53,205	54,217	-	54,217
Website costs	803	-	803	1,436	-	1,436
Investment management fees	9,279	8,433	17,712	10,301	9,573	19,874
UK entertainment	18,705	-	18,707	16,286	-	16,286
Total funds	109,155	8,433	117,588	108,295	9,573	117,868

4 Expenditure on: Assisting service personnel and their dependants

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Grants and donations*	116,901	182,270	299,171	196,672	79,368	276,040
Staff costs and honoraria	79,608	-	79,608	73,670	-	73,670
Promotion of military efficiency	14,381	-	14,381	13,696	-	13,696
Accountancy	10,432	-	10,432	8,275	-	8,275
Publishing costs – The Household Cavalry Journal	21,030	-	21,030	20,628	-	20,628
Website development	803	-	803	1,436	-	1,436
Professional fees	77	-	77	35	-	35
Office and administration costs	2,245	-	2,245	1,954	-	1,954
Insurance	-	16,565	16,565	-	11,409	11,409
Governance costs: auditor's remuneration	16,380	-	16,380	13,164	-	13,164
Other costs	10,228	-	10,228	7,860	-	7,860
Total funds	272,085	198,835	470,920	337,390	90,777	428,167

*Grants and donations

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Soldiers	100,068	-	100,068	126,184	-	126,184
Operational casualties	-	45,285	45,285	-	46,328	46,328
Veterans	2,524	-	2,524	2,911	-	2,911
Childrens fund	-	109,475	109,475	-	-	-
Heritage	10,996	-	10,996	30,457	-	30,457
Silversticks fund	1,512	-	1,512	16,672	-	16,672
Serving officers trust	-	27,510	27,510	-	33,040	33,040
Standards parade	-	-	-	18,548	-	18,548
Other	1,801	-	1,801	1,900	-	1,900
Total funds	116,901	182,270	299,171	196,672	79,368	276,040

5 Net movement in funds

This is stated after charging

	2025 £	2024 £
Staff costs, excluding honoraria (note 6)	81,490	78,165
Auditor's remuneration		
. Current year	15,660	12,624
. Non-audit services	936	540

6 Staff costs

Staff costs, excluding honoraria, are as follows:

	Total funds 2025 £	Total funds 2024 £
Wages and salaries	64,531	60,709
Social security costs	210	1,687
Employer's pension contribution	2,368	2,073
	67,109	64,469
Contribution in respect to Regimental Adjutant	14,381	13,696
	81,490	78,165

The average number of employees during the year was:

	2025 No.	2024 No.
	2	2

No employee earned more than £60,000 per annum during the year, including taxable benefits but excluding pension contributions (2024 – none).

7 Trustees' expenses and remuneration and transactions with trustees

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees and the Director.

The total cost to the charity of employing key management was £60,498 (2024 – £59,428).

No trustee was reimbursed travel and subsistence expenses during the year (2024 – one).

8 Taxation

Household Cavalry Foundation is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

9 Heritage assets

The charity has title to a number of unique artefacts including silverware and paintings which form part of the heritage of the Household Cavalry and the nation generally and which the charity intends to preserve for the enjoyment of future generations. Records of the Heritage Assets owned by the Serving Officers' Trust and held in London, Bulford and Windsor are in Christie's catalogues that were reviewed during this Financial Year.

One of the principal objectives of the charity is "*to advance the education of the public and of members and former members of the Household Cavalry in the history, heritage, traditions of the military accomplishments of the Household Cavalry including without limitation by supporting a museum or museums, archives and collections*". 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.

10 Investments

	Total funds 2025 £	Total funds 2024 £
Listed investments		
Market value as at 1 April	7,201,095	6,675,364
Additions at cost	107,808	24,881
Disposals at opening market value (proceeds £14,713; losses £2,712)	(17,425)	(52,275)
Net unrealised investment (losses) gains	(21,944)	553,125
Market value as at 31 March	7,269,534	7,201,095
Cash held for reinvestment	191,200	75,384
	7,460,734	7,276,479
Historical cost of listed investments as at 31 March	6,901,419	6,861,490

At 31 March 2025 listed investments comprised the following:

	Total funds 2025 £	Total funds 2024 £
Diversified Investment funds	2,839,787	2,756,088
Unitised funds	4,409,625	4,401,010
Alternatives	20,122	43,998
Total	7,269,534	7,201,096

All listed investments were dealt in on a recognised stock exchange.

At 31 March 2025, listed investments included investments with a market value of £3,305,146 (2024 – £3,185,677) representing amounts due to the Household Cavalry regiments and associated funds (note 12). Included within these investments are total net unrealised losses of £21,944 and realised losses of £2,712 which arose during the year ended 31 March 2025. Those losses and gains which relate to the investments which represent part of the amount due to the Household Cavalry regiments and associated funds are not reflected through the statement of financial activities.

The following individual investment holdings as at 31 March were deemed material in the context of the market value of the portfolio as at that date:

Holding	2025 Market Value £	2025 Percentage %
Cazenove Charity Multi-Asset Fund	4,409,625	60.7%
Waverton Charity Growth and Income Fund	2,839,787	39.1%

10 Investments (continued)

Holding	2024 Market Value £	2024 Percentage %
Cazenove Charity Multi-Asset Fund	4,401,010	61.1%
Waverton Charity Growth and Income Fund	2,756,088	38.3%

11 Debtors

	Total funds 2025 £	Total funds 2024 £
Other debtors	4,438	16,063
Accrued investment income	47,049	48,468
Other accrued income	4,405	6,193
Prepayments	8,319	630
	64,211	71,354

12 Creditors: amounts falling due within one year

	Total funds 2025 £	Total funds 2024 £
Amounts due to the Household Cavalry Regiments and associated funds (see below)		
. Listed investments	3,305,146	3,185,677
. Investment income payable	62,514	106,715
Grants payable	18,920	-
Accruals	46,235	43,240
Other creditors	16,451	-
Deferred income	74	18,088
	3,449,340	3,353,720

Included above are monies advanced to the charity by the Household Cavalry Regiments and associated funds. Income and gains (or losses) accruing from these monies are added (or deducted) from these funds and the balances due are reflected in the creditors figures above. At 31 March, the amounts owed were as follows:

	2025 £	2024 £
Listed investments		
The Blues and Royals Association	1,571,315	1,500,996
Oliver Montague Fund	1,441,229	1,390,935
Household Cavalry Regiment (Bulford Camp, Salisbury Plain)	149,338	149,891
Household Cavalry Mounted Regiment (Knightsbridge)	143,264	143,855
	3,305,146	3,185,677

12 Creditors: amounts falling due within one year (continued)

	2025 £	2024 £
<i>Investment income payable</i>		
The Blues and Royals Association	32,607	55,388
Oliver Montague Fund	29,907	51,327
	62,514	106,715

Deferred income primarily relates to monies received payable to a regiment:

	2025 £	2024 £
At 1 April	18,088	18,000
Amount released to income from charitable activities	(18,088)	(18,000)
Amount deferred in year	10,574	18,088
At 31 March	10,574	18,088

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes.

	Operational Casualties Fund 2025 £	Children's Fund 2025 £	Serving Officers Trust Fund 2025 £	Total 2025 £
Year ended 31 March 2025				
At 1 April 2024	1,899,743	109,055	407,621	2,416,419
Income	93,591	486	20,003	114,080
Expenditure	(52,450)	(109,541)	(45,277)	(207,268)
Net investment gains	475	-	236	711
At 31 March 2025	1,941,359	-	382,583	2,323,942

	Operational Casualties Fund 2024 £	Children's Fund 2024 £	Serving Officers Trust Fund 2024 £	Total 2024 £
Year ended 31 March 2024				
At 1 April 2023	1,678,877	98,632	410,746	2,188,255
Income	143,663	4,176	20,837	168,676
Expenditure	(54,288)	(274)	(45,788)	(100,350)
Net investment gains	131,491	4,521	21,826	157,838
Transfer from unrestricted funds	-	2,000	-	2,000
At 31 March 2024	1,899,743	109,055	407,621	2,416,419

13 Restricted funds (continued)

Operational Casualties Fund

The Operational Casualties Fund is used to alleviate hardship of injured Household Cavalry service personnel and their families.

Children's Fund

The Children's Fund is used to provide money to children of deceased Household Cavalry personnel who have died during conflict. Donations are made each year by each of the Regimental Associations and an amount equal to those donations is transferred from unrestricted to restricted funds by the charity. During the year final payments were made and the fund was closed.

Serving Officers Trust Fund

The Serving Officers Trust Fund is used to promote the efficiency of the Household Cavalry by fostering and preserving traditions and increasing the efficiency of its serving officers by making provision for participation in a wide range of sports, purchasing learned periodicals, paying educational fees, assisting with purchase of items of uniform and paying for refurbishment, acquisition and insurance of regimental property.

14 Designated funds

The trustees have set aside or designated certain monies for specific purposes as follows.

	1 April 2024 £	New design- ations £	Utilised £	31 March 2025 £
Standards Parade Fund	210,000	25,000	—	235,000

	1 April 2023 £	New design- ations £	Utilised £	31 March 2024 £
Standards Parade Fund	180,000	30,000	—	210,000

The Standards' Parade Fund comprises monies set aside to help towards the cost of the next Standards' Parade where the Monarch, as Colonel in Chief of the Household Cavalry, will present new Standards. The Parade is anticipated to take place during the next decade.

15 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total Funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total Funds 2024 £
Fund balances at 31 March 2025 are represented by:						
Investments	5,552,745	1,907,989	7,460,734	5,304,236	1,972,243	7,276,479
Net current (liabilities) assets	(3,430,788)	415,953	(3,014,835)	(3,192,722)	444,176	(2,748,546)
Total net assets	2,121,957	2,323,942	4,445,899	2,111,514	2,416,419	4,527,933

	Total 2025 £	Total 2024 £
Unrealised gains included above		
On investment assets	368,115	339,606
Reconciliation of movements in unrealised gains:		
Total unrealised gains (losses) at 1 April	339,606	(177,257)
Movement in respect of disposals in the year	50,453	(36,262)
Net (losses) gains arising on revaluations in the year	(21,944)	553,125
Total unrealised gains at 31 March	368,115	339,606

The total unrealised gains as at 31 March 2025 constitute movements on the revaluation of listed investments.

16 Related parties

Two trustees are serving Household Cavalrymen (2024 – two trustees were serving members) and so may have benefitted indirectly from grants made during both 2025 and 2024 by The Household Cavalry Serving Officers' Trust.

No trustees were reimbursed minor travel and subsistence expenses (2024 – one trustee was reimbursed £244).

The two trustees who are serving members of the Household Cavalry contributed to the Day's Pay Scheme, which made payments to the charity during the year.

Four trustees (2024 – three trustees) contributed donations to the Household Cavalry Serving Officers' Trust fund during the year amounting to £200 (2024 – £145).

One trustee donated £10,000 to the charity during the year.