

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

England & Wales · Charity number 1172831

Details

Status Registered

Legal form CIO

Registered 2017-05-02

Register [View on the Charity Commission register](#)

Contact

Address RHQ The RLC
Bldg 204
Worthy Down Camp
Winchester
Hampshire
SO21 2RG

Phone 0125283374

Email information@rlcmuseum.com

Website www.royallogisticcorps.co.uk/heritage/museum

Activities

Objects: THE OBJECTS OF THE CIO ARE TO EDUCATE THE PUBLIC AND MEMBERS OF THE CORPS IN THE HISTORY AND MILITARY ACCOMPLISHMENTS OF THE CORPS AND THE FORMER CONSTITUENT CORPS AND TO PROMOTE MILITARY EFFICIENCY AND ENCOURAGE RECRUITMENT BY PUBLIC EXHIBITION OF THE COLLECTION IN A MUSEUM OR MUSEUMS OR SUCH OTHER PLACES AS THE TRUSTEES MAY FROM TIME TO TIME DECIDE AND TO CONSERVE, RESTORE, REPAIR, RECONSTRUCT AND PRESERVE OBJECTS IN THE COLLECTION FOR THE BENEFIT OF THE PUBLIC.

Activities: Operation of the museum of The Royal Logistic Corps telling the story of Army logistics from the current day back through the period of the predecessor corps and organisations.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Armed Forces/emergency Service Efficiency
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£389,764	£449,998	-	-
2023-12-31	£423,738	£402,460	-	-
2022-12-31	£502,199	£515,578	£2,652,813	5
2021-12-31	£442,539	£762,513	-	-
2020-12-31	£490,801	£1,482,298	-	-

Trustees

Name	Role	Appointed
Anthony Cox		2023-04-16
Colonel James Drew Fielden LVO MBE		2022-04-04
Colonel Jaqueline Suzanne Powell ADC		2024-07-25
Colonel Phillippe Roland Rossiter		2022-04-04
Katherine Childs		2023-04-16
Lieutenant Colonel Nathan Ashley Smith		2017-07-01
MAJ GEN JOHN SEUMAS KERR CBE		2017-07-04

Linked charities

- ROYAL LOGISTIC CORPS MUSEUM TRUST (1172831-1)

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

England & Wales - Charity number 1172831

Accounts

Charity registration number 1172831 (England and Wales)

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Major General J Kerr CBE Lieutenant Colonel N A Smith Colonel J D Fielden LVO MBE Colonel P R Rossiter Col R M Baker Miss K Childs Mr A Cox Colonel J S Powell	(Appointed 5 July 2024)
Charity number	1172831	
Registered office	Regimental Headquarters The Royal Logistics Corps, Building 204, Worthy Down Camp Winchester Hampshire SO21 2RG	
Auditor	Moore (South) LLP 33 The Clarendon Centre Diary Meadow Lane Salisbury Wiltshire SP1 2TJ	
Bankers	Holt's Military Banking Lawrie House Victoria Road Farnborough Hampshire GU14 7NR	
Solicitors	Clifton Ingram LLP 11 South Street Farnham Surrey GU9 7QX	

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

CONTENTS

	Page
Trustees report	1 - 6
Statement of responsibilities	7
Independent auditor's report	8 - 11
Statement of financial activities	12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 27

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their seventh report as a CIO and the audited financial statements of the Charity for the seventh full accounting period ended 31 December 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2019) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

History and Background

The Museum was established and funded initially by the Royal Logistic Corps Association Trust in 1995 and it became a separate unincorporated Charity with registered number 1083009, on 7 September 2000. In preparation for redevelopment and relocation of the museum to a purpose-built premises in Worthy Down, the decision was taken to establish the Charity as a CIO, to take on the operation of the museum. This took place on 1st July 2017 and the Charity was also appointed by order of the Charity Commission as the trustee of the museum collection together, with an Acquisition Fund derived from a donation of £100,000 from the RAOC Charitable Trust. This restricted fund is applied towards the acquisition of items for addition to the collection as well as their maintenance. A gift of £3,000,000 from the Defence Logistic Vocational Trust in 2016 was applied towards the costs of the relocation and redevelopment of the museum in its new location at Worthy Down. All other sources of funds were transferred to the newly incorporated Charity for its operational purposes.

The Royal Logistic Corps Association Trust, now called The RLC Charity and itself a CIO, continues to be a major source of income for the operation of the museum.

The Museum is fully accredited with the Arts Council England, it first achieved this status in July 2010, again in July 2014 and more recently in October 2023. The COVID 19 pandemic delayed museum accreditations across the UK and explains the large gap between the museums second and third accreditation awards.

A Museum Director, Secretary and a Treasurer, the latter two as part of wider roles and funded by the Ministry of Defence, carry out the day-to-day work of the Charity. A small museum team and clerical staff support them. Accommodation, telephones and all utilities are provided from Public Funds. The Director and most of the staff are private employees funded primarily through MOD Army Museums Ogilby Trust (AMOT) grant-in-aid. A board of trustees directs the work of the Director, Secretary and Treasurer. The Trustees meet at least twice in each year and all major policy issues are considered by them and a consensus view taken.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Objectives and activities

Under clause 3 of the constitution of the Charity, the objectives of the museum are to educate the public and members of the Corps in the history and military accomplishments of the Corps and the former constituent Corps. To promote military efficiency and encourage recruitment by public exhibition of the Collection in a museum or museums or such other places as the Trustees may from time to time decide and to conserve, restore, repair reconstruct and preserve objects in the Collection for the benefit of the public. There has been no change in these during the year.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities of the Charity.

The main activities of the Charity in 2024 were the opening of a new £250,000 extension to house a WW2 DUKW amphibious vehicle and the hosting of a Royal visit, when HRH The Princess Royal visited the museum. The museum lease was extended to incorporate the new extension, which has also been added to the museum insurance policy.

The museums WW2 D-Day Rolls Royce was renovated and repainted as part of a celebrity television program in time to play a pivotal role in events to celebrate the 80th anniversary of D-Day, in both the UK and France. The media coverage of this event has helped increase museum visitor numbers and interest in the museum collection.

In 2024 there was a focus on income generation, through shop sales, donations, providing talks and the holding of events. This trustee led initiative was overseen by a separately appointed Trading Committee, utilising trustees with expertise in these areas. The next step is for the shop to operate online to increase its customer base and profitability.

The Charity staff continue the compiling of an inventory of artifacts belonging to the Charity and inherited from the Predecessor Corps. Due to the difficulty in establishing a true valuation of these artifacts, many of which are unique and irreplaceable, the Trustees have not included them on the balance sheet. The Charity holds a small number of loan items all of which are formally registered and the rules for their custody and management are detailed in the Charity's Collections Development Policy.

A new archive website was developed in 2024, to provide better access to the museum's digital assets on-line. This website charges for some content, to support its running costs, but large sections of the content are free to view.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

The Charity depends on funding from The RLC Charity and submits an annual request to that charity for funding for the following period. Any surpluses at the end of the financial period are considered when the budget for the following period is drawn up. Money accrued through underspend is invested to be used to support the continuing development and future funding of the Museum. A budget and outline plan for the Charity's short to medium term development has been agreed and forms part of the Forward Plan.

The museum does not charge visitors for access to the museum. In 2024 it started collecting gift aid where possible from these donations. Moreover, the Section 33 VAT Refund Scheme was utilised where appropriate to help offset the cost of capital spend.

Trustees are responsible for ensuring that the museum collection is correctly maintained, accounted for, protected from theft or adverse environmental conditions and insured. The museum itself, whilst located outside an MOD site and easily accessible, benefits from the protection that the site offers. This includes a 24/7 armed presence in an adjoining building, with guards who monitor the museum comprehensive CCTV cameras out of hours and who respond instantly to any intruder alarm being triggered.

The museum building is climate controlled to protect its assets from decay or degradation and the collection is displayed in locked display cases with reinforced glass or held in secure, locked and alarmed stores. The museum subscribes to Harwell, via an annual fee, which provides the museum immediate response and support in the event of a fire, flood or similar.

The assets purchased through collections that have a monetary value are held on the Heritage Asset Register. This is maintained and updated by the curator and insurance policies are reviewed annually to meet the valuations.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

The Charity has three principal funding sources:

- a. MOD, which funds most of the Charity's staff, plus the museum building, its lease and utilities costs. These have an estimated annual value of £183K.
- b. The RLC Charity, provides an annual grant to the museum, which in 2024 was £120,000. This grant covers the day to day and in year running costs of the museum. This funding also supports the salary of some of the museum staff members.
- c. Circa £35,000 of additional funding was raised in 2024, from visitor donations, shop sales, online archive access and through occasionally hiring out rooms or holding events and providing tours. Some £1.04M in residual funds remains for the future support of the Charity. There is a separate restricted Acquisition fund worth £102k.

The majority of funds sit within an investment portfolio created for the Charity; the objective of this investment is to help towards greater self-sufficiency and to support the enhanced operation planned for the future.

Financial review

The bulk of staff costs are offset by a grant in aid from AMOT. The gifts in kind is reassessed annually to retain currency in the value of the services provided to the Charity by the MOD. There are again sizeable annual depreciation costs arising from establishing the museum in Worthy Down, because of the museum refit and display cases. The value of the assets does outweigh the operating activities of the trust and therefore the depreciation charge of £66,667 (2022: £150,000) is significant. The estimate around the useful economic life of this asset has been re-evaluated and increased to 20 years at the start of the period so that the asset is being written down over 18 years of its life from 2023 onwards. Charitable activities and the cost of raising funds exceeded income in the year by £60,234. Given the value of reserves at £1.14M the charity remains on a sound financial footing.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Reserves policy

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. Current unrestricted reserves are sufficient to operate the museum for eight years if all external funding streams were to be withdrawn ignoring any non-cash transactions such as depreciation and the contra MOD donation for staff and facilities.

Unrestricted reserves were utilised in 2024 to fund the construction of the new external DUKW House.

There is also a planned redesign of the RLC Museum on the 50th Anniversary of the Royal Logistic Corps and the 250th Anniversary of the formation of the first logistic army unit which are due to occur in 2043 and 2044 respectively. Funds will need to be accumulated over the next 20 years in order to fund the next major museum refresh.

Risk management

The Board of Trustees has a Charter, forward plan and action plan which cover all aspects of the Charity's activities including areas of risk; it is actively reviewed and updated at every board meeting. This includes a 3-year financial budget plan and forecast. The Arts Council England require accredited museums to maintain policies and a risk register, approved by trustees, which cover a wide scope of the museum activity. These include governance, management, financial planning, collections care and procedures, risk management, disaster planning and recovery, artifact and archive conservation, visitor feedback evaluations and diversity. Thus a comprehensive suit of policies and industry standard procedures guide the charity staff in their day to day activity. The risk register summaries the Charity's key risks, potential impacts, the RAG rating based on likelihood and impact of each risk and safeguards that have been implemented. This is reviewed on regular basis for relevance and any further actions to be taken to safeguard against these risks.

Major risks have been reviewed and systems or procedures have been established to manage the safeguard its activities and key assets the Charity has the following agreements/policies in place:

- An emergency plan that addresses and mitigates the risk to the museum and its collections.
- An internal Business Agreement with the Ministry of Defence defining the support provided by MOD (Army HQ), including the provision of utilities.
- A 50 year lease with the MOD Defence Infrastructure Organisation, successfully negotiated in time for relocation of the museum to Worthy Down in 2020.

Trustees review these periodically and embrace risk areas within their action plan.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Plans for future periods

The Trustees' primary aim is to further develop the range of activities on offer at the new Museum at Worthy Down and so increase visitor numbers, in order to secure the Charity's long term financial sustainability. Other future plans, including the new museum website and increased focus on income generation possibilities which have been explained in other areas of this report.

Public Benefit

Public benefit is promoted through education, advancement of heritage and the promotion of the efficiency of The Royal Logistic Corps and the wider armed forces. Since: 18th May 2021 the Museum has been open to the public 5 days a week including weekends. The Museum has resumed a comprehensive outreach program with military colleges and units as well as schools, youth groups, veterans organisations, car clubs and similar. The new archive website rolled out in 2024 and will further expand the reach of the museum, particularly for those unable to physically visit the museum.

Engagement with the public via Social Media, Facebook, Instagram, TikTok and the museum website is also seen as a crucial part of the museum outreach portfolio. Levels of engagement have more than doubled in 2024, mainly due to the employment of a Commercial Manager responsible for developing this area.

The Museum volunteers regularly undertake between them, some seventy hours per-week of unpaid work within the Museum, covering a range of tasks, from the reception desk, to working in the stores. The value of their unpaid contribution is estimated to be approx. £45k - £50k per annum. Moreover, the delivery of free tours to the military, trainees, recruits and veterans, as well as free use of conferencing facilities in the museum amount to over £10,000 of free provision per annum, to these groups.

Finally, The RLC Museum does not charge for entry, provides free parking, has free activities for children and a café on site. Local care homes for the elderly and children's homes for those with additional needs have become regular users of the museum, demonstrating a wide and expanding public benefit to the local community.

Structure, governance and management

The RLC Museum Trust CIO is regulated by a Trust Deed No 1172831 dated 1 July 2017. The Charity was constituted as a CIO by the Charity Commission with registered number 1172831.

The trustees who served during the year and up to the date of signature of the financial statements were:

Major General J Kerr CBE

Lieutenant Colonel N A Smith

Colonel J D Fielden LVO MBE

Colonel P R Rossiter

Colonel P A Allen ADC

(Resigned 5 July 2024)

Col R M Baker

Miss K Childs

Mr A Cox

Colonel J S Powell

(Appointed 5 July 2024)

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

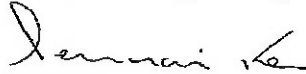
The Trustees, who are non-executive, set the policy of the Museum and oversee the management, direction and performance of all the museum staff, who are employees of the Charity. The last remaining Civil Servant, who was not directly employed by the Charity, left the museum in early 2022.

The present Chairman of Trustees is a Colonel Commandant of The Royal Logistic Corps. All other trustees are members, or former members, of The RLC or predecessor Corps, or are invited from industry, to broaden the diversity and skill set of the board.

Trustees (less the Colonel RLC who is ex-officio) are on term appointments and all make a Trustee declaration of interests on appointment and at the start of each board meeting. Trustee training is conducted by offering vacancies on appropriate Arts Council England training days and by attendance at annual meetings of the Army Museum Ogilby Trust. Succession planning for trustees is considered periodically by the Board.

One of the primary funders of the Charity is The RLC Association Trust and the two charities share a Secretary and Treasurer.

The report was approved by the Board of Trustees.



Major General J Kerr CBE
Trustee

Date: 5 September 2025

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees are responsible for preparing the Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources of the trust for that year.

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 the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Opinion

We have audited the financial statements of The Royal Logistic Corps Museum Trust CIO (the 'trust') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. 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 charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 trust 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 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 trust'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 other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Responsibilities of trustees

As explained more fully in the statement of responsibilities, the trustees 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 trust'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the accounts due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be the Charities Act 2011, the Charity SORP and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the company is complying with these frameworks by making enquiries of those charged with governance. We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, and the inherent difficulty in detecting irregularities by holding discussions with management and those charged with responsibility for ensuring legal and regulatory compliance is adhered to and considered the internal controls in place to mitigate identified risks. As a result, a fraud risk was identified relating to management override.
- In addition to the possibility of management override of controls, areas considered higher risk relating to the presentation of information in the financial statements included the recognition of revenue.
- We assessed the control environment, documenting the systems, controls and processes adopted and undertook an assessment of risk identified in designing our audit approach which incorporates a combination of controls testing, where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and those charged with governance and we obtained additional corroborative evidence as required.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and correctly allocated in the nominal ledger;
- reviewed restricted expenditure to ensure funds were spent in line with the terms of the applied restriction;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed the nature of the disclosures within the financial statements to ensure they meet the requirements of accounting standards and relevant legislation.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work to evaluate inconsistencies and significant variances in income streams;
- reviewed third party documentation to confirm that relevant entries were reflected in the accounting records, and;
- reviewed transactions before and after the year end to ensure they had been allocated to the correct period.

To address the risk of material misstatement on classification of transactions in funds we:

- Agreed a sample of expenses incurred to ensure they had been allocated to the correct fund; and
- Reviewed the analysis of funds for any misallocations of income or expenditure.

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 directors 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.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert MacDonald (Senior Statutory Auditor)

For and on behalf of Moore (South) LLP, Statutory Auditor

Chartered Accountants

33 The Clarendon Centre

Salisbury Business Park

Dairy Meadow Lane

Salisbury

Wiltshire

SP1 2TJ

16 October 2025

Moore (South) LLP is eligible for appointment as auditor of the trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	Notes	£	£	£	£	£	£
Income from:							
Donations and legacies	3	313,782	-	313,782	341,999	-	341,999
Other trading activities	4	30,324	-	30,324	32,921	-	32,921
Investments	5	42,141	3,517	45,658	45,157	3,661	48,818
Total income		386,247	3,517	389,764	420,077	3,661	423,738
Expenditure on:							
Raising funds	6	36,302	-	36,302	32,997	-	32,997
Charitable activities	7	413,696	-	413,696	369,463	-	369,463
Total expenditure		449,998	-	449,998	402,460	-	402,460
Net gains/(losses) on investments	12	47,258	4,580	51,838	3,017	293	3,310
Net income/(expenditure) and movement in funds		(16,493)	8,097	(8,396)	20,634	3,954	24,588
Reconciliation of funds:							
Fund balances at 1 January 2024		2,391,649	115,152	2,506,801	2,371,015	111,198	2,482,213
Fund balances at 31 December 2024		2,375,156	123,249	2,498,405	2,391,649	115,152	2,506,801

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

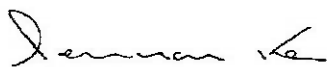
THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	14		1,343,817		1,167,111
Heritage assets	15		21,080		21,080
Investments	16		1,144,066		1,221,363
			<u>2,508,963</u>		<u>2,409,554</u>
Current assets					
Stocks	17	12,565		26,698	
Cash at bank and in hand		32,088		124,071	
			<u>44,653</u>		<u>150,769</u>
Creditors: amounts falling due within one year	18	(55,211)		(53,522)	
Net current (liabilities)/assets			<u>(10,558)</u>		<u>97,247</u>
Total assets less current liabilities			<u>2,498,405</u>		<u>2,506,801</u>
The funds of the trust					
Restricted income funds	19		123,249		115,152
Unrestricted funds	21		2,375,156		2,391,649
			<u>2,498,405</u>		<u>2,506,801</u>

The financial statements were approved by the trustees on 5th September 2025



Major General J Kerr CBE
Trustee

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(6,379)		46,050
Investing activities					
Purchase of tangible fixed assets		(260,397)		(6,137)	
Purchase of investments		(20,865)		(36,433)	
Proceeds from disposal of investments		150,000		-	
Investment income received		45,658		48,818	
Net cash (used in)/generated from investing activities			(85,604)		6,248
Net cash generated from financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(91,983)		52,298
Cash and cash equivalents at beginning of year			124,071		71,773
Cash and cash equivalents at end of year			<u>32,088</u>		<u>124,071</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

The Royal Logistic Corps Museum Trust CIO is constituted as a CIO by the Charity Commission with registered number 1172831. The registered address is Regimental Headquarters, The Royal Logistic Corps, Building 204, Worthy Down Camp, Winchester, Hampshire, SO21 2RG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Income

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grants, donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource.

For donations, entitlement is the earlier of the charity being notified of an impending distribution or the donation being received.

Income is also recognised in relation to the services provided by the MoD, being staff and premises. These are treated as donated services and so are recognised at the value of the gift to the charity, being the open market value based on the alternative services that would be incurred if not paid for by the MoD. Income is recognised at the year-end in the period which the services are consumed. An equivalent amount is recognised as expenditure in the SoFA.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including governance costs are allocated or apportioned to the applicable expenditure headings. Costs of charitable activities include grants made, governance costs and an apportionment of support costs.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

1.6 Tangible fixed assets

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

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

Leasehold improvements	20 years straight line
Computer and other equipment	5 years straight line
Museum collection	5 years straight line
Fixtures and fittings	10 years straight line
Museum cabinets and displays	20 years straight line

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.7 Heritage assets

The museum holds a number of heritage assets all of which are considered to be of historical significance in relation to the RLC and the British Army. These assets have been owned by the corps, in some cases for over 100 years, and their value to the corps cannot be measured as these items in the collection are irreplaceable as they are unique items. Due to their age, no information on original cost is available. A list of High Value Artefacts and Archives in the collection of the Royal Logistic Corps Museum is detailed below:

Archives

- Board of Ordnance Letter Books from Tipner/Malta/Sheerness - Eighteenth/Nineteenth Century Board of Ordnance letter books and various types of issues/receipts /stores books. Location - Museum Archive.
- RASC Post-War Write-Ups - Nine box collection of fifty-two books providing historical narrative of the RASC in the Second World War used as source material in creation of the official histories. Location - Museum Archive.
- B' Vehicle Record Archive - Since 2004 the cards have generated funds for the museum and continue to do so. These cards are irreplaceable.

Artifacts

The principle valuable artefacts other than medals which are stored off site and can be itemised separately are identified in the Emergency Plan:

- Rolls Royce Wraith
- Items in Napoleonic Case
 - Coatee of Royal Waggon Train
 - Miniature of Officer of the RWT
 - Army List in glazed case
 - Oil painting of Arms of the Ordnance Corps
- Oil Painting of the Marquis of Granby

The charity's policy for acquisition of replica equipment and artefacts is to expense this through the SoFA or capitalised within tangible fixed assets depending on the value in line with the charity's capitalisation policy. These are not deemed to be heritage as they have no historical importance as they are not original items.

1.8 Fixed asset investments

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 statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Investment Income is accounted for in the year in which the Trust is entitled to receipt. It includes dividends.

1.9 Impairment of fixed assets

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

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.12 Taxation

The Trust is exempt from UK Corporation Tax and is not VAT registered.

1.13 Employee benefits

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

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

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Fixed asset - useful economic life

Trustees review the asset's residual value and estimated useful economic life to calculate an appropriate depreciation rate for this asset based on historic use of similar assets and advice from professionals. The assets are reviewed for impairment each year in terms of the higher of value in use or resale value.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	11,083	14,261
Grants	302,699	327,738
	<u>313,782</u>	<u>341,999</u>
Grants		
The RLC Association Trust Fund Annual Grant	110,000	110,000
The RLC Association Fund Shop Grant	10,000	10,000
Grant in Aid - Ogilby Trust	129,789	125,663
MOD funded staff and premises costs	52,910	51,929
Other	-	30,146
	<u>302,699</u>	<u>327,738</u>

The grant from the MOD represents the Trustees estimated value of the salaries of the Museum Staff belonging to the Civil Service. These are currently on mark time rates of pay. It also includes an estimated value of the premises and utilities provided from public funds.

4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Shop income	30,324	32,921
	<u>30,324</u>	<u>32,921</u>

5 Income from investments

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from listed investments	41,223	3,517	44,740	44,307	3,661	47,968
Interest receivable	918	-	918	850	-	850
	<u>42,141</u>	<u>3,517</u>	<u>45,658</u>	<u>45,157</u>	<u>3,661</u>	<u>48,818</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

6 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Shop Expenditure		
Operating charity shops	24,523	24,247
Operating trading company	36	7
Other trading activities	-	10
Staff costs	11,743	8,733
	<u>36,302</u>	<u>32,997</u>

7 Expenditure on charitable activities

	Unrestricted 2024 £	Unrestricted 2023 £
Direct costs		
Staff costs	199,437	178,145
Depreciation and impairment	83,691	77,156
Rent, Rates and Utilities	32,299	32,301
Conservation	1,245	2,378
Maintenance	-	112
Collections	6,427	5,902
Reference	-	75
Travel	3,763	2,256
Professional Fees and Subscriptions	524	325
Training	1,160	492
Development - Monty's roller maintenance	36,331	4,774
Development - Lease fees	2,520	1,146
Development - Online archiving	-	20,095
Development - Market research	-	5,000
Display	3,228	4,481
Events	1,739	-
Sundry	6,753	3,075
	<u>379,117</u>	<u>337,713</u>
Share of support and governance costs (see note 8)		
Support	22,489	18,057
Governance	12,130	13,693
	<u>413,736</u>	<u>369,463</u>
Analysis by fund		
Unrestricted funds	<u>413,696</u>	<u>369,463</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

8	Support costs allocated to activities	2024	2023
		£	£
	Postage	17	-
	IT	12,466	8,097
	Insurance	6,134	6,623
	Stationery	113	119
	Printing & advertising	3,759	3,218
	Governance costs	12,130	13,693
		<u>34,619</u>	<u>31,750</u>
	Analysed between:		
	Unrestricted	<u>34,619</u>	<u>31,750</u>
		2024	2023
	Governance costs comprise:	£	£
	Audit fees	9,900	9,600
	Accountancy	2,202	3,972
	Meetings	28	121
		<u>12,130</u>	<u>13,693</u>
9	Net movement in funds	2024	2023
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	9,900	9,600
	Depreciation of owned tangible fixed assets	83,691	77,156
		<u>93,591</u>	<u>86,756</u>
10	Trustees		
	No expenses were reimbursed during 2023 or 2022 to trustees.		
11	Employees		
	The average monthly number of employees during the year was:		
		2024	2023
		Number	Number
	Museum	4	4
	Shop	1	1
	Administration	1	1
		<u>6</u>	<u>6</u>
	Total	<u>6</u>	<u>6</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

11 Employees	(Continued)	
Employment costs	2024	2023
	£	£
Wages and salaries	170,362	150,138
Social security costs	15,785	13,909
Other pension costs	4,423	3,202
MOD gift of staff	20,610	19,629
	<u>211,180</u>	<u>186,878</u>

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

Remuneration of key management personnel

No trustees are remunerated for their role.

12 Gains and losses on investments

	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
Gains/(losses) arising on:	£	£	£	£	£	£
Revaluation of investments	47,258	4,580	51,838	3,017	293	3,310
	<u>47,258</u>	<u>4,580</u>	<u>51,838</u>	<u>3,017</u>	<u>293</u>	<u>3,310</u>

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

14 Tangible fixed assets	Leasehold improvements	Computer and other equipment	Museum collection	Fixtures and fittings	Total
	£	£	£	£	£
Cost					
At 1 January 2024	-	45,786	18,585	1,500,000	1,564,371
Additions	259,397	-	1,000	-	260,397
At 31 December 2024	<u>259,397</u>	<u>45,786</u>	<u>19,585</u>	<u>1,500,000</u>	<u>1,824,768</u>
Depreciation and impairment					
At 1 January 2024	-	20,421	10,172	366,667	397,260
Depreciation charged in the year	6,485	6,772	3,767	66,667	83,691
At 31 December 2024	<u>6,485</u>	<u>27,193</u>	<u>13,939</u>	<u>433,334</u>	<u>480,951</u>
Carrying amount					
At 31 December 2024	<u>252,912</u>	<u>18,593</u>	<u>5,646</u>	<u>1,066,666</u>	<u>1,343,817</u>
At 31 December 2023	<u>-</u>	<u>25,365</u>	<u>8,413</u>	<u>1,133,333</u>	<u>1,167,111</u>
15 Heritage assets					Heritage assets £
At 1 January 2024 and at 31 December 2024					<u>21,080</u>

The museum director continues the long task of compiling an inventory of artefacts belonging to the Trust. Due to the historic nature of these artefacts the Trustees have not yet included them on the balance sheet.

A summary of the artefacts held by the charity which have not been recognised on the balance sheet can be seen on note 1.7.

There have been no heritage assets capitalised either by acquisition or donation in the last 5 years.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

16 Fixed asset investments

	Listed investments: Museum Development Fund £	Listed investments: Museum £	Total £
Cost or valuation			
At 1 January 2024	1,127,291	94,072	1,221,363
Additions	17,348	3,517	20,865
Valuation changes	47,258	4,580	51,838
Disposals	(150,000)	-	(150,000)
At 31 December 2024	1,041,897	102,169	1,144,066
Carrying amount			
At 31 December 2024	1,041,897	102,169	1,144,066
At 31 December 2023	1,127,291	94,072	1,221,363

Investments at fair value comprise:	2024 £	2023 £
Armed Forces Common Investment Fund - Accumulation Units	538,758	640,929
Armed Forces Common Investment Fund - Income Units	605,308	580,434
	1,144,066	1,221,363

17 Stocks

	2024 £	2023 £
Finished goods and goods for resale	12,585	26,698

18 Creditors: amounts falling due within one year

	2024 £	2023 £
Amounts owed to related parties	43,139	41,522
Accruals and deferred income	12,070	12,000
	55,209	53,522

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

19 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Incoming resources	Gains and losses	At 31 December 2024
	£	£	£	£
Acquisition Fund	115,152	3,517	4,580	123,249
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2023	Incoming resources	Gains and losses	At 31 December 2023
	£	£	£	£
Acquisition Fund	111,198	3,661	293	115,152
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The Acquisition Fund (Restricted Income Fund) was established in 2007 in the Museum Trust by a donation of £100,000 from the RAOC Charitable Trust. Following an initial spend of £50,000 acquiring artefacts the residual £50,000 was invested in 2008 into the Armed Forces Common Investment Fund (AFCIF) as a long term reserve. This fund was inherited from the Museum Trust at the point of incorporation of the CIO. The fund is solely for the purchase of new acquisitions for the museum collection. Expenditure against the fund is controlled through the Trustees.

20 Analysis of net assets between funds

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 December 2024:			
Tangible assets	1,343,817	-	1,343,817
Heritage assets	-	21,080	21,080
Investments	1,041,897	102,169	1,144,066
Current assets/(liabilities)	(10,558)	-	(10,558)
	<u> </u>	<u> </u>	<u> </u>
	2,375,156	123,249	2,498,405
	<u> </u>	<u> </u>	<u> </u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

20 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 December 2023:			
Tangible assets	1,167,111	-	1,167,111
Heritage assets	-	21,080	21,080
Investments	1,127,291	94,072	1,221,363
Current assets/(liabilities)	97,247	-	97,247
	<u>2,391,649</u>	<u>115,152</u>	<u>2,506,801</u>

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

The unrestricted funds are available to be spent for any of the purposes of the charity. Unrestricted funds have been split between general and museum development fund to identify the specific donations income, and expenditure on the museum development.

The Museum Development Fund benefitted in 2016 from a £3,000,000 donation from the Defence Logistic Vocational Trust specifically towards the relocation and redevelopment of The RLC Museum at a future site at the Defence College of Logistics, Policing and Administration, Worthy Down. £1,500,000 was invested into the museum development fund investment and £1,500,000 into the museum general fund investment. Both investments were made before being inherited by the CIO. The museum development fund was liquidated in year and used to furnish the museum's new building at Worthy Down.

22 Capital commitments

	2024 £	2023 £
Amounts contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	-	179,884
	<u>-</u>	<u>179,884</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

23 Related party transactions

Transactions with related parties

The Royal Logistics Corps Association Trust Fund shares key management and two Trustees with this Trust. During the year the Trust received a £120,000 donation (2023: £100,000). There were also £nil (2023: £3,749) of costs recharged from the RLC association relating to insurance and professional fees. At the year end, the Trust owed £43,139 (2023: £41,522) to The Royal Logistics Corps Association Trust.

24 Analysis of changes in net funds

The trust had no material debt during the year.

25 Cash (absorbed by)/generated from operations	2024 £	2023 £
(Deficit)/surplus for the year	(8,396)	24,588
Adjustments for:		
Investment income recognised in statement of financial activities	(45,658)	(48,818)
Fair value gains and losses on investments	(51,838)	(3,310)
Depreciation and impairment of tangible fixed assets	83,691	77,156
Movements in working capital:		
Decrease/(increase) in stocks	14,133	(8,515)
Increase in creditors	1,689	4,949
Cash (absorbed by)/generated from operations	(6,379)	46,050

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

England & Wales - Charity number 1172831

Accounts

Charity registration number 1172831

**THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Major General J Kerr CBE Lieutenant Colonel N A Smith Colonel J D Fielden LVO MBE Colonel P R Rossiter Colonel P A Allen ADC Col R M Baker Miss K Childs Mr A Cox	(Appointed 2 October 2023) (Appointed 16 April 2023) (Appointed 16 April 2023)
Charity number	1172831	
Registered office	Regimental Headquarters The Royal Logistics Corps, Building 204, Worthy Down Camp Winchester Hampshire SO21 2RG	
Auditor	Moore (South) LLP 33 The Clarendon Centre Diary Meadow Lane Salisbury Wiltshire SP1 2TJ	
Bankers	Holt's Military Banking Lawrie House Victoria Road Farnborough Hampshire GU14 7NR	
Solicitors	Clifton Ingram LLP 11 South Street Farnham Surrey GU9 7QX	

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

CONTENTS

	Page
Trustees report	1 - 5
Statement of responsibilities	6
Independent auditor's report	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 27

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their sixth report as a CIO and the audited financial statements of the Charity for the sixth full accounting period ended 31 December 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2019) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

History and Background

The Museum was established and funded initially by the Royal Logistic Corps Association Trust in 1995 and it became a separate unincorporated Charity with registered number 1083009, on 7 September 2000. In preparation for redevelopment and relocation of the museum to a purpose-built premises in Worthy Down, the decision was taken to establish the Charity as a CIO, to take on the operation of the museum. This took place on 1st July 2017 and the Charity was also appointed by order of the Charity Commission as the trustee of the museum collection together, with an Acquisition Fund derived from a donation of £100,000 from the RAOC Charitable Trust. This restricted fund is applied towards the acquisition of items for addition to the collection as well as their maintenance. A gift of £3,000,000 from the Defence Logistic Vocational Trust in 2016 was applied towards the costs of the relocation and redevelopment of the museum in its new location at Worthy Down. All other sources of funds were transferred to the newly incorporated Charity for its operational purposes.

The Royal Logistic Corps Association Trust continues to be a major source of income for the operation of the museum by the Charity.

The Museum is fully accredited with the Arts Council England, it first achieved this status in July 2010, again in July 2014 and more recently in October 2023. The COVID 19 pandemic delayed museum accreditations across the UK and explains the large gap between the museums second and third accreditation awards.

A Museum Director, Secretary and a Treasurer, the latter two as part of wider roles and funded by the Ministry of Defence, carry out the day-to-day work of the Charity. A small museum team and clerical staff support them. Accommodation, telephones and all utilities are provided from Public Funds. The Director and most of the staff are private employees funded primarily through MOD Army Museums Ogilby Trust (AMOT) grant-in-aid. A board of trustees directs the work of the Director, Secretary and Treasurer. The Trustees meet at least twice in each year and all major policy issues are considered by them and a consensus view taken.

Structure, governance and management

The RLC Museum Trust CIO is regulated by a Trust Deed No 1172831 dated 1 July 2017. The Charity was constituted as a CIO by the Charity Commission with registered number 1172831.

The trustees who served during the year and up to the date of signature of the financial statements were:

Major General J Kerr CBE	
Brigadier M W Wharmby OBE	(Resigned 2 October 2023)
Lieutenant Colonel N A Smith	
Colonel J D Fielden LVO MBE	
Colonel P R Rossiter	
Colonel P A Allen ADC	
Col R M Baker	(Appointed 2 October 2023)
Miss K Childs	(Appointed 16 April 2023)
Mr A Cox	(Appointed 16 April 2023)

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees, who are non-executive, set the policy of the Museum and oversee the management, direction and performance of all the museum staff, who are employees of the Charity. The last remaining Civil Servant, who was not directly employed by the Charity, left the museum in early 2022.

The present Chairman of Trustees is a Colonel Commandant of The Royal Logistic Corps. All other trustees are members, or former members, of The RLC or predecessor Corps, or are invited from industry, to broaden the diversity and skill set of the board.

Trustees (less the Colonel RLC who is *ex-officio*) are on term appointments and all make a Trustee declaration of interests on appointment and at the start of each board meeting. Trustee training is conducted by offering vacancies on appropriate Arts Council England training days and by attendance at annual meetings of the Army Museum Ogilby Trust. Succession planning for trustees is considered periodically by the Board.

One of the primary funders of the Charity is The RLC Association Trust and the two charities share a Secretary and Treasurer.

Objectives and activities

Under clause 3 of the constitution of the Charity, the objects are to educate the public and members of the Corps in the history and military accomplishments of the Corps and the former constituent Corps and to promote military efficiency and encourage recruitment by public exhibition of the Collection in a museum or museums or such other places as the Trustees may from time to time decide and to conserve, restore, repair reconstruct and preserve objects in the Collection for the benefit of the public. There has been no change in these during the year.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities of the Charity.

The main activity of the Charity in 2023 was to firmly embed the new museum in Worthy Down, increase visitor numbers and to look at options to improve the museum's marketing and income generation potential. We continued to develop the Charity's policies and working practices in accordance with the objects as well as carrying out education on the history of The Royal Logistic Corps.

In the summer of 2023, a study was commissioned with a company called "WakeupCall" to assess the suitability of the museum building for commercial or corporate hire events. This study concluded in September 2023 with recommendations that the museum was indeed an attractive and suitable venue for these events and recommended that a suitable catering/events management partner be sought.

A Business Case was produced in September 2023 to look at the venue hire possibilities, and other potential income generation streams from across a range of areas, including the shop, donations, venue hire and the provision of tours. The resignation of the museum archivist facilitated a small structural reorganisation which would allow some staff resources to be focused in this area. The number of museum professional staff was reduced from four to three and a new position was created with the title Commercial Manager. This part time post would be responsible for the museum social media output, with a view to increasing engagement and visitor numbers, the shop and for leading on future commercial activity.

With D-Day 80 occurring in June 2024 it was decided, in accordance with the museum's charitable objectives, to mark this significant event by building a predominantly glass enclosed structure, at the front of the museum, to house a WW2 DUKW amphibious vehicle, which took part in the landings. A statement of requirement was produced, tenders invited and a selection board awarded the contract. Obtaining the necessary building permissions and ensuring that the correct lease would be in place meant that construction did not start within this FY, but the building will indeed be completed in time for the D-Day celebrations.

The Charity staff continue the compiling of an inventory of artifacts belonging to the Charity and inherited from the Predecessor Corps. Due to the difficulty in establishing a true valuation of these artifacts, many of which are unique and irreplaceable, the Trustees have not included them on the balance sheet. The Charity holds a small number of loan items all of which are formally registered and the rules for their custody and management are detailed in the Charity's Collections Development Policy.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Charity depends on funding from The RLC Association Trust Fund and submits an annual request to that Trust for funding for the following period. Any surpluses at the end of the financial period are considered when the budget for the following period is drawn up. Money accrued through underspend is invested to be used to support the continuing development and future funding of the Museum. A budget and outline plan for the Charity's short to medium term development has been agreed and forms part of the Forward Plan.

With the impending retirement of the single individual running the museum archive website, a new provider was required. After a comprehensive selection process, an established museum archiving company was engaged. This meant the copying and transfer of vast quantities of data, including images, texts, journals, films and other assorted archive material to the new provider. This then needed indexing and sorting so that it would be "searchable" on the new website platform. During this financial reporting period the "Beta" or test website is live and bug fixes and changes are being made. The completed new archive website is predicted to go live in the Spring of 2024, just outside of this FY.

Trustees ensure that the Museum and its contents are fully insured in the event of fire, water damage or theft and this insurance was renewed and increased in 2023. The Charity had to produce a new emergency plan as part of the ACE Accreditation process and has undertaken a full risk assessment covering all aspects of museum activity. The Museum has state of the art security and CCTV systems installed and is guarded 24 hours a day by MOD guards, due to its location on the edge of an MOD site. The security is sufficiently robust that in 2022, the Home Office granted the Museum a 'museum firearms license', allowing it to hold live weapons.

The assets purchased through collections that have a monetary value are held on the Heritage Asset Register. This is maintained and updated by the curator and insurance policies are reviewed annually to meet the valuations.

It is planned that the 1939 Rolls Royce Wraith, used by Field Marshal Montgomery shortly after the D-Day landings will be cosmetically improved before taking part in celebrations in France planned during June 2024. Negotiations commenced in late 2023 with a TV company who specialise in the renovation of historic vehicles, for them to undertake this work and to produce a film of the process with a well-known British motoring celebrity. Talks were still ongoing at the end of this FY, with the likelihood of a contract being agreed in early 2024.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

The Charity has three principal funding sources:

- a. MOD, which funds most of the Charity's staff; plus the museum building, its lease and utilities costs. These have an estimated annual value of £51K.
- b. An annual grant from The RLC Association Trust Fund, which totalled £120,000 in 2023, part of which was provided to underpin the new museum shop, with the remainder supporting the bulk of the routine museum operating costs. The RCT Medal Collection, hosted within a purpose-built room in the museum has an extant Restricted fund supporting it within The RLC Association Trust fund.
- c. Additional funding comes from research inquiries, donations and charges for lectures and events. Notably a generous donation of £3m was received in 2017 from the Def Log VQ Trust, which having been invested to accumulate further growth, funded most of the development of the new museum. Some £1.09m in residual funds remains for the future support of the Charity. There is a separate restricted Acquisition fund worth £90k.

The majority of funds sit within an investment portfolio created for the Charity; the objective of this investment is to help towards greater self-sufficiency and to support the enhanced operation planned for the future.

In 2010, the trustees of the Charitable Trust established a Funding Working Group to review its funding sources. The decision was made at that time not to charge for entry to the museum and the Charity has decided not to change that policy. The RLC Association Trust agreed in 2013 to increase its annual donation, thereby giving a level of certainty over future funding aid that will continue to be paid to the Charity. Support for a museum remains a major objective for The RLC Association Trust as part of the efficiency of the Corps and to maintain the Corps' heritage, and this includes continued funding support for the Museum. The size of the grant is reviewed on an annual basis and the grant has increased in 2023 to £120k.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

The bulk of staff costs are offset by a grant in aid from AMOT. The gifts in kind is reassessed annually to retain currency in the value of the services provided to the Charity by the MOD. There are again sizeable annual depreciation costs arising from establishing the museum in Worthy Down, because of the museum refit and display cases. The value of the assets does outweigh the operating activities of the trust and therefore the depreciation charge of £66,667 (2022: £150,000) is significant. The estimate around the useful economic life of this asset has been re-evaluated and increased to 20 years at the start of the period so that the asset is being written down over to 18 years of its life. Charitable activities provided positive cash flow in the year of £52,298 following the add back of the non-cash elements and balance sheet movements. The charity remains on a sound financial footing.

Reserves Policy

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. Current unrestricted reserves are sufficient to operate the museum for eight years if all external funding streams were to be withdrawn ignoring any non-cash transactions such as depreciation and the contra MOD donation for staff and facilities.

Unrestricted reserves have been earmarked to fund the construction of a new glass enclosed structure which currently the trust has a capital commitment of £179,884 at the balance sheet date.

There is also a planned redesign of the RLC Museum on the 50th Anniversary of the Royal Logistic Corps and the 250th Anniversary of the formation of the first logistic army unit which are due to occur in 2043 and 2044 respectively. Funds will need to be accumulated over the next 20 years in order to fund the next major museum refresh.

Risk management

The Board of Trustees has a Charter, forward plan and action plan which cover all aspects of the Charity's activities including areas of risk; it is actively reviewed and updated at every board meeting. This includes a 3-year financial budget plan and forecast. The Arts Council England require accredited museums to maintain policies and a risk register, approved by trustees, which cover a wide scope of the museum activity. These include governance, management, financial planning, collections care and procedures, risk management, disaster planning and recovery, artifact and archive conservation, visitor feedback evaluations and diversity. Thus a comprehensive suit of policies and industry standard procedures guide the charity staff in their day to day activity. The risk register summaries the Charity's key risks, potential impacts, the RAG rating based on likelihood and impact of each risk and safeguards that have been implemented. This is reviewed on regular basis for relevance and any further actions to be taken to safeguard against these risks.

Major risks have been reviewed and systems or procedures have been established to manage the safeguard its activities and key assets the Charity has the following agreements/policies in place:

- An emergency plan that addresses and mitigates the risk to the museum and its collections.
- An internal Business Agreement with the Ministry of Defence defining the support provided by MOD (Army HQ), including the provision of utilities.
- A 50 year lease with the MOD Defence Infrastructure Organisation, successfully negotiated in time for relocation of the museum to Worthy Down in 2020.

Trustees review these periodically and embrace risk areas within their action plan.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

The Trustees' primary aim is to further develop the range of activities on offer at the new Museum at Worthy Down and so increase visitor numbers, in order to secure the Charity's long term financial sustainability. Other future plans, including the new archive website, the external building project and an increased focus on income generation possibilities have been explained in other areas of this report.

Public Benefit

Public benefit is promoted through education, advancement of heritage and the promotion of the efficiency of The Royal Logistic Corps and the wider armed forces. Since: 18th May 2021 the Museum has been open to the public 5 days a week including weekends. The Museum has resumed a comprehensive outreach programme with military colleges and units as well as schools, youth groups, veterans organisations, car clubs and similar. The new archive website developed in 2023 will roll out in 2024 and will further expand the reach of the museum, particularly for those unable to physically visit the museum.

Engagement with the public via Social Media, Facebook, Instagram, TikTok and the museum website is also seen as a crucial part of the museum outreach portfolio. Whilst levels of engagement have expanded markedly in 2023, the new Commercial Manager will be expected to take these to even greater heights in 2024 and beyond.

The Museum volunteers regularly undertake between them, some seventy hours per-week of unpaid work within the Museum, covering a range of tasks, from the reception desk, to working in the stores. The value of their unpaid contribution is estimated to be approx. £45k - £50k per annum. Moreover, the delivery of free tours to the military, trainees, recruits and veterans, as well as free use of conferencing facilities in the museum amount to over £10,000 of free provision per annum, to these groups.

Finally, The RLC Museum does not charge for entry, provides free parking, has free activities for children and a café on site. Local care homes for the elderly and children's homes for those with additional needs have become regular users of the museum, demonstrating a wide and expanding public benefit to the local community.

The report was approved by the Board of Trustees.



Major General J Kerr CBE
Trustee

Date: 18 Oct 24

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees are responsible for preparing the Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources of the trust for that year.

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 the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Opinion

We have audited the financial statements of The Royal Logistic Corps Museum Trust CIO (the 'trust') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. 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 charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 trust 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 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 trust'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 other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Responsibilities of trustees

As explained more fully in the statement of responsibilities, the trustees 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 trust'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the accounts due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be the Charities Act 2011, the Charity SORP and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the company is complying with these frameworks by making enquiries of those charged with governance. We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, and the inherent difficulty in detecting irregularities by holding discussions with management and those charged with responsibility for ensuring legal and regulatory compliance is adhered to and considered the internal controls in place to mitigate identified risks. As a result, a fraud risk was identified relating to management override.
- In addition to the possibility of management override of controls, areas considered higher risk relating to the presentation of information in the financial statements included the recognition of revenue.
- We assessed the control environment, documenting the systems, controls and processes adopted and undertook an assessment of risk identified in designing our audit approach which incorporates a combination of controls testing, where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and those charged with governance and we obtained additional corroborative evidence as required.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and correctly allocated in the nominal ledger;
- reviewed restricted expenditure to ensure funds were spent in line with the terms of the applied restriction;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed the nature of the disclosures within the financial statements to ensure they meet the requirements of accounting standards and relevant legislation.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work to evaluate inconsistencies and significant variances in income streams;
- reviewed third party documentation to confirm that relevant entries were reflected in the accounting records, and;
- reviewed transactions before and after the year end to ensure they had been allocated to the correct period.

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 directors 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.

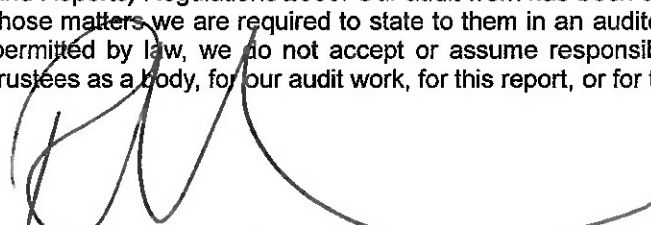
THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert MacDonald (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

29 October 2024

Chartered Accountants
Statutory Auditor

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Moore (South) LLP is eligible for appointment as auditor of the trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023	Restricted funds 2023	Total 2023	Unrestricted funds 2022	Restricted funds 2022	Total 2022
	Notes	£	£	£	£	As restated £	As restated £
Income and endowments from:							
Donations and legacies	3	341,999	-	341,999	283,776	-	283,776
Other trading activities	4	32,921	-	32,921	4,109	-	4,109
Investments	5	45,157	3,661	48,818	39,074	2,951	42,025
Other income	6	-	-	-	1,689	-	1,689
Total income		420,077	3,661	423,738	328,648	2,951	331,599
Expenditure on:							
Raising funds	7	32,997	-	32,997	24,183	-	24,183
Charitable activities	8	369,463	-	369,463	491,395	-	491,395
Total expenditure		402,460	-	402,460	515,578	-	515,578
Net gains/(losses) on investments	13	3,017	293	3,310	(183,781)	(13,924)	(197,705)
Net income/(expenditure) and movement in funds		20,634	3,954	24,588	(370,711)	(10,973)	(381,684)
Reconciliation of funds:							
Fund balances at 1 January 2023		2,371,015	111,198	2,482,213	2,741,726	122,171	2,863,897
Fund balances at 31 December 2023		2,391,649	115,152	2,506,801	2,371,015	111,198	2,482,213

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

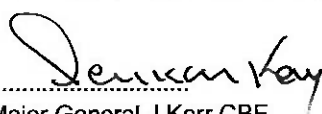
THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	15		1,167,111		1,238,130
Heritage assets	16		21,080		21,080
Investments	17		1,221,363		1,181,620
			<u>2,409,554</u>		<u>2,440,830</u>
Current assets					
Stocks	18	26,698		18,183	
Cash at bank and in hand		124,071		71,773	
			<u>150,769</u>		<u>89,956</u>
Creditors: amounts falling due within one year	19		<u>(53,522)</u>		<u>(48,573)</u>
Net current assets			<u>97,247</u>		<u>41,383</u>
Total assets less current liabilities			<u>2,506,801</u>		<u>2,482,213</u>
Net assets excluding pension liability			<u>2,506,801</u>		<u>2,482,213</u>
			<u><u>2,506,801</u></u>		<u><u>2,482,213</u></u>
The funds of the trust					
Restricted income funds	20		115,152		111,198
Unrestricted funds			2,391,649		2,371,015
			<u>2,506,801</u>		<u>2,482,213</u>

The financial statements were approved by the trustees on 18 Oct 24


 Major General J Kerr CBE
 Trustee

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	26		46,050		(51,192)
Investing activities					
Purchase of tangible fixed assets		(6,137)		(13,463)	
Purchase of investments		(36,433)		(41,909)	
Proceeds from disposal of investments		-		100,000	
Investment income received		48,818		42,025	
Net cash generated from investing activities			6,248		86,653
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			52,298		35,461
Cash and cash equivalents at beginning of year			71,773		36,312
Cash and cash equivalents at end of year			124,071		71,773

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The Royal Logistic Corps Museum Trust CIO is constituted as a CIO by the Charity Commission with registered number 1172831. The registered address is Regimental Headquarters, The Royal Logistic Corps, Building 204, Worthy Down Camp, Winchester, Hampshire, SO21 2RG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Income

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grants, donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource.

For donations, entitlement is the earlier of the charity being notified of an impending distribution or the donation being received.

Income is also recognised in relation to the services provided by the MoD, being staff and premises. These are treated as donated services and so are recognised at the value of the gift to the charity, being the open market value based on the alternative services that would be incurred if not paid for by the MoD. Income is recognised at the year-end in the period which the services are consumed. An equivalent amount is recognised as expenditure in the SoFA.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including governance costs are allocated or apportioned to the applicable expenditure headings. Costs of charitable activities include grants made, governance costs and an apportionment of support costs.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

1.6 Tangible fixed assets

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

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

Computer and other equipment	5 years straight line
Museum collection	5 years straight line
Fixtures and fittings	10 years straight line
Museum cabinets and displays	20 years straight line (2022: 10 years straight line)

There has been a change to the accounting estimate over museum cabinets and display's economic lives and therefore this has been impacted the depreciation policy applied during this year. See note 2 for details.

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.7 Heritage assets

The museum holds a number of heritage assets all of which are considered to be of historical significance in relation to the RLC and the British Army. These assets have been owned by the corps, in some cases for over 100 years, and their value to the corps cannot be measured as these items in the collection are irreplaceable as they are unique items. Due to their age, no information on original cost is available. A list of High Value Artefacts and Archives in the collection of the Royal Logistic Corps Museum is detailed below:

Archives

- Board of Ordnance Letter Books from Tipner/Malta/Sheerness - Eighteenth/Nineteenth Century Board of Ordnance letter books and various types of issues/receipts /stores books. Location - Museum Archive.
- RASC Post-War Write-Ups - Nine box collection of fifty-two books providing historical narrative of the RASC in the Second World War used as source material in creation of the official histories. Location - Museum Archive.
- B' Vehicle Record Archive - Since 2004 the cards have generated funds for the museum and continue to do so. These cards are irreplaceable.

Artifacts

The principle valuable artefacts other than medals which are stored off site and can be itemised separately are identified in the Emergency Plan:

- Rolls Royce Wraith
- Items in Napoleonic Case
 - Coatee of Royal Waggon Train
 - Miniature of Officer of the RWT
 - Army List in glazed case
 - Oil painting of Arms of the Ordnance Corps
- Oil Painting of the Marquis of Granby

The charity's policy for acquisition of replica equipment and artefacts is to expense this through the SoFA or capitalised within tangible fixed assets depending on the value in line with the charity's capitalisation policy. These are not deemed to be heritage as they have no historical importance as they are not original items.

1.8 Fixed asset investments

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 statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Investment Income is accounted for in the year in which the Trust is entitled to receipt. It includes dividends.

1.9 Impairment of fixed assets

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

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.11 Cash and cash equivalents

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.12 Taxation

The Trust is exempt from UK Corporation Tax and is not VAT registered.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Fixed asset - useful economic life

There has been a change in accounting estimate during the period, trustees have considered the economic life of the museum cabinets and displays to be 20 years, historically the assets had been written down over 10 years. The change has been prospectively from 1 January 2023 and assets will be written down over their remaining 18 years life. This has reduced the annual depreciation charge from £150,000 in the previous year to £66,666 in the current year.

The trustees have based the economic life of 20 years based on knowledge of the asset, current condition of the asset and expectation over the period in which they expect to consume the asset's economic benefit based on the plan for the next planned redesign of the RLC Museum will coincide with the 50th Anniversary of the Royal Logistic Corps and the 250th Anniversary of the formation the first logistic army unit, which occur in 2043 and 2044 respectfully.

3 Income from donations and legacies

	Unrestricted funds 2023	Restricted funds 2023	Total 2023	Unrestricted funds 2022	Restricted funds 2022	Total 2022
	£	£	£	£	As restated £	As restated £
Donations and gifts	44,407	-	44,407	22,792	-	22,792
Grants receivable for core activities	297,592	-	297,592	260,984	-	260,984
	<u>341,999</u>	<u>-</u>	<u>341,999</u>	<u>283,776</u>	<u>-</u>	<u>283,776</u>
Grants receivable for core activities						
The RLC Association Trust Fund Annual Grant	110,000	-	110,000	90,000	-	90,000
The RLC Association Fund Shop Grant	10,000	-	10,000	10,000	-	10,000
Grant in Aid - Ogilby Trust	125,663	-	125,663	109,900	-	109,900
MOD funded staff and premises costs	51,929	-	51,929	51,084	-	51,084
	<u>297,592</u>	<u>-</u>	<u>297,592</u>	<u>260,984</u>	<u>-</u>	<u>260,984</u>

See note 27 for details of the prior year adjustment.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Income from donations and legacies

(Continued)

The grant from the MOD represents the Trustees estimated value of the salaries of the Museum Staff belonging to the Civil Service. These are currently on mark time rates of pay. It also includes an estimated value of the premises and utilities provided from public funds.

4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Shop income	32,921	4,109

5 Income from investments

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from listed investments	44,307	3,661	47,968	38,958	2,951	41,909
Interest receivable	850	-	850	116	-	116
	<u>45,157</u>	<u>3,661</u>	<u>48,818</u>	<u>39,074</u>	<u>2,951</u>	<u>42,025</u>

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net gain on disposal of programme related investments	-	1,689

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Shop Expenditure		
Cost of Sales	24,247	3,249
Postage	7	125
Other expenditure	10	407
Staff costs	8,733	20,402
	<u>32,997</u>	<u>24,183</u>

8 Expenditure on charitable activities

	Unrestricted 2023 £	Unrestricted 2022 £
Direct costs		
Staff costs	178,145	171,517
Depreciation and impairment	77,156	159,681
Rent, Rates and Utilities	32,301	32,300
Conservation	2,378	3,637
Maintenance	112	620
Collections	5,902	1,967
Reference	75	111
Postage	-	59
IT	8,097	8,426
Insurance	6,623	5,666
Stationery	119	557
Travel	2,256	3,568
Printing & Advertising	3,218	2,897
Professional Fees and Subscriptions	325	1,572
Training	492	1,373
Other charitable expenditure	38,571	84,097
	<u>355,770</u>	<u>478,048</u>
Share of support and governance costs (see note 9)		
Governance	13,693	13,347
	<u>369,463</u>	<u>491,395</u>
Analysis by fund		
Unrestricted funds	<u>369,463</u>	<u>491,395</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9	Support costs allocated to activities		
		2023	2022
		£	£
	Governance costs	13,693	13,347
		<u>13,693</u>	<u>13,347</u>
	Analysed between:		
	Unrestricted	13,693	13,347
		<u>13,693</u>	<u>13,347</u>
		2023	2022
		£	£
	Governance costs comprise:		
	Audit fees	9,600	8,000
	Accountancy	3,972	4,984
	Meetings	121	363
		<u>13,693</u>	<u>13,347</u>
		<u>13,693</u>	<u>13,347</u>
10	Net movement in funds	2023	2022
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	9,600	8,000
	Depreciation of owned tangible fixed assets	77,156	159,682
		<u>77,156</u>	<u>159,682</u>
		<u>77,156</u>	<u>159,682</u>
11	Trustees		
	No expenses were reimbursed during 2023 or 2022 to trustees.		
12	Employees		
	The average monthly number of employees during the year was:		
		2023	2022
		Number	Number
	Museum	4	4
	Shop	1	1
	Adminstration	1	1
		<u>6</u>	<u>6</u>
	Total	6	6
		<u>6</u>	<u>6</u>
		2023	2022
		£	£
	Employment costs		
	Wages and salaries	186,878	191,919
		<u>186,878</u>	<u>191,919</u>
		<u>186,878</u>	<u>191,919</u>

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Employees (Continued)

Remuneration of key management personnel

No trustees are remunerated for their role.

13 Gains and losses on investments

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Gains/(losses) arising on:						
Revaluation of investments	3,017	293	3,310	(183,781)	(13,924)	(197,705)

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Tangible fixed assets

	Computer and other equipment £	Museum collection £	Fixtures and fittings £	Total £
Cost				
At 1 January 2023	42,096	16,138	1,500,000	1,558,234
Additions	3,690	2,447	-	6,137
At 31 December 2023	45,786	18,585	1,500,000	1,564,371
Depreciation and impairment				
At 1 January 2023	13,649	6,455	300,000	320,104
Depreciation charged in the year	6,772	3,717	66,667	77,156
At 31 December 2023	20,421	10,172	366,667	397,260
Carrying amount				
At 31 December 2023	25,365	8,413	1,133,333	1,167,111
At 31 December 2022	28,448	9,682	1,200,000	1,238,130

16 Heritage assets

	Heritage assets As restated £
At 1 January 2023 and at 31 December 2023	21,080

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Heritage assets

(Continued)

The museum director continues the long task of compiling an inventory of artefacts belonging to the Trust. Due to the historic nature of these artefacts the Trustees have not yet included them on the balance sheet.

A summary of the artefacts held by the charity which have not been recognised on the balance sheet can be seen on note 1.7.

There have been no heritage assets capitalised either by acquisition or donation in the last 5 years.

See note 27 for details of the prior year adjustment.

17 Fixed asset investments

	Listed investments: Museum Development Fund	Listed investments: Museum £	Total £
Cost or valuation			
At 1 January 2023	1,091,502	90,118	1,181,620
Additions	32,772	3,661	36,433
Valuation changes	3,017	293	3,310
	<hr/>	<hr/>	<hr/>
At 31 December 2023	1,127,291	94,072	1,221,363
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 December 2023	1,127,291	94,072	1,221,363
	<hr/>	<hr/>	<hr/>
At 31 December 2022	1,091,502	90,118	1,181,620
	<hr/>	<hr/>	<hr/>

Investments at fair value comprise:	2023 £	2022 £
Armed Forces Common Investment Fund - Accumulation Units	640,929	1,181,620
Armed Forces Common Investment Fund - Income Units	580,434	-
	<hr/>	<hr/>
	1,221,363	1,181,620
	<hr/>	<hr/>

18 Stocks

	2023 £	2022 £
Finished goods and goods for resale	26,698	18,183
	<hr/>	<hr/>

19 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	53,522	48,573
	<hr/>	<hr/>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Incoming resources	Gains and losses	At 31 December 2023
	As restated £	£	£	£
Other restricted	111,198	3,661	293	115,152
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year (As restated):	At 1 January 2022	Incoming resources	Gains and losses	At 31 December 2022
	£	£	£	£
Other restricted	122,171	2,951	(13,924)	111,198
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The Acquisition Fund (Restricted Income Fund) was established in 2007 in the Museum Trust by a donation of £100,000 from the RAOC Charitable Trust. Following an initial spend of £50,000 acquiring artefacts the residual £50,000 was invested in 2008 into the Armed Forces Common Investment Fund (AFCIF) as a long term reserve. This fund was inherited from the Museum Trust at the point of incorporation of the CIO. The fund is solely for the purchase of new acquisitions for the museum collection. Expenditure against the fund is controlled through the Trustees.

21 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 December 2023:			
Tangible assets	1,167,111	-	1,167,111
Heritage assets	-	21,080	21,080
Investments	1,127,291	94,072	1,221,363
Current assets/(liabilities)	97,247	-	97,247
	<u> </u>	<u> </u>	<u> </u>
	2,391,649	115,152	2,506,801
	<u> </u>	<u> </u>	<u> </u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Analysis of net assets between funds (Continued)

	Unrestricted funds 2022 £	Restricted funds 2022 As restated £	Total 2022 As restated £
At 31 December 2022:			
Tangible assets	1,238,130	-	1,238,130
Heritage assets	-	21,080	21,080
Investments	1,091,502	90,118	1,181,620
Current assets/(liabilities)	41,383	-	41,383
	2,371,015	111,198	2,482,213
	2,371,015	111,198	2,482,213

22 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

The unrestricted funds are available to be spent for any of the purposes of the charity. Unrestricted funds have been split between general and museum development fund to identify the specific donations income, and expenditure on the museum development.

The Museum Development Fund benefitted in 2016 from a £3,000,000 donation from the Defence Logistic Vocational Trust specifically towards the relocation and redevelopment of The RLC Museum at a future site at the Defence College of Logistics, Policing and Administration, Worthy Down. £1,500,000 was invested into the museum development fund investment and £1,500,000 into the museum general fund investment. Both investments were made before being inherited by the CIO. The museum development fund was liquidated in year and used to furnish the museum's new building at Worthy Down.

23 Capital commitments	2023 £	2022 £
Amounts contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	179,884	-
	179,884	-
	179,884	-

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

24 Related party transactions

Transactions with related parties

The Royal Logistics Corps Association Trust Fund shares key management and two Trustees with this Trust. During the year the Trust received a £120,000 donation (2022: £100,000). There were also £3,749 (2022: £5,643) of costs recharged from the RLC association relating to insurance and professional fees. At the year end, the Trust owed £41,522 (2022: £37,773) to The Royal Logistics Corps Association Trust.

25 Analysis of changes in net funds

The trust had no material debt during the year.

26 Cash generated from operations	2023	2022
	£	As restated £
Surplus/(deficit) for the year	24,588	(381,684)
Adjustments for:		
Investment income recognised in statement of financial activities	(48,818)	(42,025)
Gain on disposal of investments	-	(1,688)
Fair value gains and losses on investments	(3,310)	197,705
Depreciation and impairment of tangible fixed assets	77,156	159,681
Movements in working capital:		
(Increase)/decrease in stocks	(8,515)	6,792
Increase in creditors	4,949	10,027
Cash generated from/(absorbed by) operations	46,050	(51,192)

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

27 Prior period adjustment

Changes to the balance sheet

	At 31 December 2022		
	As previously reported	Adjustment	As restated
	£	£	£
Fixed assets			
Heritage assets	191,680	(170,600)	21,080
	<u> </u>	<u> </u>	<u> </u>
Capital funds			
Income funds			
Restricted funds	281,798	(170,600)	111,198
Unrestricted funds	2,371,015	-	2,371,015
	<u> </u>	<u> </u>	<u> </u>
Total equity	2,652,813	(170,600)	2,482,213
	<u> </u>	<u> </u>	<u> </u>

Changes to the profit and loss account

	Period ended 31 December 2022		
	As previously reported	Adjustment	As restated
	£	£	£
Donations and legacies	454,376	(170,600)	283,776
	<u> </u>	<u> </u>	<u> </u>
Net movement in funds	(211,084)	(170,600)	(381,684)
	<u> </u>	<u> </u>	<u> </u>

A heritage asset of £170,600 was introduced via donations and legacies restricted funds during the year ended 31 December 2022 based on a valuation of silver. It was identified that the silver valued did not belong to The Royal Logistic Corps Museum Trust CIO, the items are on loan from The Royal Logistic Association Trust. This has been removed from donations and legacies (note 3), heritage assets (note 16) and restricted funds (note 20).

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

England & Wales - Charity number 1172831

Accounts

Charity registration number 1172831

**THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Major General J Kerr CBE Brigadier M W Wharmby OBE Lieutenant Colonel N A Smith Colonel J D Fielden LVO MBE Colonel P R Rossiter Colonel P A Allen ADC	(Appointed 20 February 2022)
Charity number	1172831	
Registered office	Regimental Headquarters The Royal Logistics Corps, Building 204, Worthy Down Camp Winchester Hampshire SO21 2RG	
Auditor	Moore (South) LLP 33 The Clarendon Centre Salisbury Business Park Dairy Meadow Lane Salisbury Wiltshire SP1 2TJ	
Bankers	Holt's Military Banking Lawrie House Victoria Road Farnborough Hampshire GU14 7NR	
Solicitors	Clifton Ingram LLP 11 South Street Farnham Surrey GU9 7QX	

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

CONTENTS

	Page
Trustees report	1 - 5
Statement of responsibilities	6
Independent auditor's report	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 27

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their fifth report as a CIO and the audited financial statements of the Charity for the fifth full accounting period ended 31 December 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2019) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

History and Background

The Museum was established and funded initially by the Royal Logistic Corps Association Trust in 1995 and it became a separate unincorporated Charity with registered number 1083009, on 7 September 2000. In preparation for redevelopment and relocation of the museum to a purpose-built premises in Worthy Down, the decision was taken to establish the Charity as a CIO, to take on the operation of the museum. This took place on 1st July 2017 and the Charity was also appointed by order of the Charity Commission as the trustee of the museum collection together, with an Acquisition Fund derived from a donation of £100,000 from the RAOC Charitable Trust. This restricted fund is applied towards the acquisition of items for addition to the collection as well as their maintenance. A gift of £3,000,000 from the Defence Logistic Vocational Trust in 2016 was applied towards the costs of the relocation and redevelopment of the museum in its new location at Worthy Down. All other sources of funds were transferred to the newly incorporated Charity for its operational purposes.

The Royal Logistic Corps Association Trust continues to be a major source of income for the operation of the museum by the Charity.

The Museum is fully accredited with the Arts Council England, it first achieved this status in July 2010, and again on 24 July 2014. The Museum had expected to lose its accreditation status whilst it was closed and moving location to Worthy Down, but it did not. The COVID 19 pandemic forced the closure of all museums in England and emergency rule changes meant that the RLC Museum maintained its full accreditation status throughout the period of its move. The Museum is however expecting to be asked to refresh its accreditation with the Art Council England in 2023.

A Museum Director, Secretary and a Treasurer, the latter two as part of wider roles and funded by the Ministry of Defence, carry out the day-to-day work of the Charity. A small museum team and clerical staff support them. Accommodation, telephones and all utilities are provided from Public Funds. The Director and most of the staff are private employees funded primarily through MOD (AMOT) grant-in-aid. A board of trustees directs the work of the Director, Secretary and Treasurer. The Trustees meet at least twice in each year and all major policy issues are considered by them and a consensus view taken.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management

The RLC Museum Trust CIO is regulated by a Trust Deed No 1172831 dated 1 July 2017. The Charity was constituted as a CIO by the Charity Commission with registered number 1172831.

The trustees who served during the year and up to the date of signature of the financial statements were:

Major General J Kerr CBE

Brigadier M W Wharmby OBE

Lieutenant Colonel N A Smith

Colonel J D Fielden LVO MBE

Colonel J C West ADC

(Resigned 27 January 2022)

Ms M A Protani

(Resigned 30 April 2022)

Colonel P R Rossiter

Colonel P A Allen ADC

(Appointed 20 February 2022)

The Trustees who are non-executive, set the policy of the Museum and oversee the management, direction and performance of all the museum staff, who are employees of the Charity. The last remaining Civil Servant, who was not directly employed by the Charity, left the museum in early 2022.

The present Chairman of Trustees is a Colonel Commandant of The Royal Logistic Corps. All other trustees are members or former members of The RLC or predecessor Corps, although the board are considering appointing additional trustees from industry, to further broaden the diversity and skill set of the board.

Trustees (less the Colonel RLC who is ex-officio) are on term appointments and all make a Trustee declaration of interests on appointment and at the start of each board meeting. Trustee training is conducted by offering vacancies on appropriate Arts Council England training days and by attendance at annual meetings of the Army Museum Ogilby Trust. Succession planning for trustees is considered periodically by the Board.

One of the primary funders of the Charity is The RLC Association Trust and the two charities share a Secretary and Treasurer.

Objectives and activities

Under clause 3 of the constitution of the Charity, the objects are to educate the public and members of the Corps in the history and military accomplishments of the Corps and the former constituent Corps and to promote military efficiency and encourage recruitment by public exhibition of the Collection in a museum or museums or such other places as the Trustees may from time to time decide and to conserve, restore, repair reconstruct and preserve objects in the Collection for the benefit of the public. There has been no change in these during the year.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities of the Charity.

The main activity of the Charity in 2022 was to firmly embed the new museum in Worthy Down, increase visitor numbers and to look at options to improve the museums marketing and income generation potential. We continued to develop the Charity's policies and working practices in accordance with the objects as well as carrying out education on the history of The Royal Logistic Corps.

The production of an improved Museum Business Plan, looking ahead at least ten years is seen as important to safeguard the long-term financial viability of the Museum, in what are uncertain times. This plan was drawn up in 2022 and finalised in 2023, through regular monthly meetings and workshops will also seek to include external advice and guidance from a wide field industry experts.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Charity staff continue the compiling of an inventory of artifacts belonging to the Charity and inherited from the Predecessor Corps. Due to the difficulty in establishing a true valuation of these artifacts, many of which are unique and irreplaceable, the Trustees have not included them on the balance sheet. The Charity holds a small number of loan items all of which are formally registered and the rules for their custody and management are detailed in the Charity's Collections Development Policy.

The Charity depends on funding from The RLC Association Trust Fund and submits an annual request to that Trust for funding for the following period. Any surpluses at the end of the financial period are considered when the budget for the following period is drawn up. Money accrued through underspend is invested to be used to support the continuing development and future funding of the Museum. A budget and outline plan for the Charity's short to medium term development has been agreed and forms part of the Forward Plan.

Now the Museum is established in Worthy Down and the COVID 19 restrictions lifted, the Charity has introduced several initiatives to raise additional income. These include holding a range of internal and external events, temporary exhibitions and the establishment of a new museum shop. Bespoke museum tours for youth groups, U3A, PROBUS, WI and others have increased markedly as the year progressed. In 2022 the Museum put out to tender, a contract to host its collections website, which allows remote access to images, texts, journals and books. A new provider was appointed in late 2022 and this website went live in 2023. Whilst much of this website content can be accessed for free, some images and texts are chargeable, which further increases income for the Charity.

Trustees ensure that the Museum and its contents are fully insured in the event of fire, water damage or theft and this insurance was renewed and increased in 2022. The Charity has a new emergency plan and has undertaken a full risk assessment covering all aspects of museum activity. The new Museum has state of the art security and CCTV systems installed and is guarded 24 hours a day by MOD guards, due to its location on the edge of an MOD site. The security is sufficiently robust that in 2022, the Home Office granted the Museum a 'museum firearms licence', allowing it to hold live weapons and ammunition, should these be needed for demonstration or teaching purposes.

The assets purchased through collections that have a monetary value are held on the Heritage Asset Register. This is maintained and updated by the curator and insurance policies are reviewed annually to meet the valuations.

In 2022 the Charity decided to consider and evaluate options for the construction of a new glass free standing building, at the front of the Museum, to house an important WW2 amphibious vehicle used at D-Day. A DUKW. Planning considerations and the necessary permissions from the landlord were sought and tenders for this project are ongoing.

A major expense in 2022 was the mechanical restoration of one of the charities most prized and important artefacts, a 1939 Rolls Royce Wraith, used by Field Marshal Montgomery shortly after the D-Day landings. The £30,000 cost of this renovation was defrayed by an £11,000 contribution from the Museum friends group.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Charity has four principal funding sources:

- a. MOD, which funds most of the Charity's staff; plus the museum building, its lease and utilities costs. These have an estimated annual value of £51K.
- b. An annual grant from The RLC Association Trust Fund which totalled £100,000 in 2022, part of which was provided to underpin the new museum shop, with the remainder supporting the bulk of the routine museum operating costs. The RCT Medal Collection, hosted within a purpose-built room in the museum has an extant Restricted fund supporting it within The RLC Association Trust fund.
- c. Additional funding comes from research inquiries, donations and charges for lectures and events. Notably a generous donation of £3M was received in 2017 from the Def Log VQ Trust, which having been invested to accumulate further growth, funded most of the development of the new museum. Some £1.09M in residual funds remains for the future support of the Charity. There is a separate restricted Acquisition fund worth £90k.
- d. The majority of funds sit within an investment portfolio created for the Charity; the objective of this investment is to help towards greater self-sufficiency and to support the enhanced operation planned for the future

In 2010, the trustees of the Charitable Trust established a Funding Working Group to review its funding sources, The decision was made at that time not to charge for entry to the museum and the Charity has decided not to change that policy. The RLC Association Trust agreed in 2013 to increase its annual donation thereby giving a level of certainty over future funding aid that will continue to be paid to the Charity. Support for a museum remains a major objective for The RLC Association Trust as part of the efficiency of the Corps and to maintain the Corps' heritage, and this includes continued funding support for the Museum. The size of the grant is reviewed on an annual basis and the grant has increased in 2023 to £120k.

Financial Review

The museum was free of all COVID restrictions for the first time since the move to Worthy Down and made a deficit in year of £13,379. The value of the gifts in kind was reassessed in year to better represent the services provided by the MOD and the silver collection was revalued which increased incoming resources but is not useable income. The deficit is largely generated from the large depreciation costs recognising the capital expenditure incurred for the museum refit which did not affect cash flow as the charitable activities provided positive cash flow in the year.

Reserves Policy

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Risk management

The Board of Trustees has a Charter, forward plan and action plan which cover all aspects of the Charity's activities including areas of risk; it is actively reviewed and updated at every board meeting. This includes a 3-year financial budget plan and forecast. The Arts Council England require accredited museums to maintain policies, approved by trustees, which cover a wide scope of the museum activity. These include governance, management, financial planning, collections care and procedures, risk management, disaster planning and recovery, artifact and archive conservation, visitor feedback evaluations and diversity. Thus a comprehensive suit of policies and industry standard procedures guide the charity staff in their day to day activity.

Major risks have been reviewed and systems or procedures have been established to manage the safeguard its activities and key assets the Charity has the following agreements/policies in place:

- a. An emergency plan that addresses and mitigates the risk to the museum and its collections.
- b. An internal Business Agreement with the Ministry of Defence defining the support provided by MOD(Army HQ), including the provision of utilities.
- c. A 50 year lease with the MOD Defence Infrastructure Organisation, successfully negotiated in time for relocation of the museum to Worthy Down in 2020.

Trustees review these periodically and embrace risk areas within their action plan.

Plans for future periods

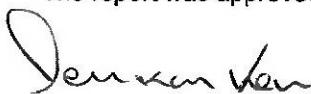
The Trustees' primary aim is to further develop the range of activities on offer at the new Museum at Worthy Down and so increase visitor numbers, in order to secure the Charity's long term financial sustainability. Other future plans, including the firearms license and building project, have been explained in other areas of this report.

Public Benefit

Public benefit is promoted through education, advancement of heritage and the promotion of the efficiency of The Royal Logistic Corps and the wider armed forces. Since: 18th May 2021 the Museum has been open to the public including weekends. The Museum has resumed a comprehensive outreach programme with military colleges and units, local: schools, youth groups, university of the third age and other organisations and societies, and this is growing steadily. Online access to museum collections grew exponentially across the UK during the COVID 19 pandemic, when physical access was denied. The Charity is exploiting this trend with its new modern and improved collections website, further expanding the accessibility of the museum globally.

Museum volunteers normally undertake between them some fifty hours per-week of unpaid work within the Museum, covering a range of tasks, from the reception desk, to working in the stores. The Museum Friends organisation was formally closed in 2022, as its numbers continued to dwindle. It was replaced with a "Supporters Group", where former Friends are now kept abreast of activities and news of the museum by email, but without the need of a formal constitution. Further support comes from a small group of military vehicle volunteers who restore, fund raise and help keep roadworthy the museum's vehicle collection.

The report was approved by the Board of Trustees.



Major General J Kerr CBE
Trustee

22 September 2023

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees are responsible for preparing the Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources of the trust for that year.

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 the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Opinion

We have audited the financial statements of The Royal Logistic Corps Museum Trust CIO (the 'trust') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. 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 charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 trust 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 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 trust'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 other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Responsibilities of trustees

As explained more fully in the statement of responsibilities, the trustees 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 trust'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the accounts due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be the Charities Act 2011, the Charity SORP and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the company is complying with these frameworks by making enquiries of those charged with governance. We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, and the inherent difficulty in detecting irregularities by holding discussions with management and those charged with responsibility for ensuring legal and regulatory compliance is adhered to and considered the internal controls in place to mitigate identified risks. As a result, a fraud risk was identified relating to management override.
- In addition to the possibility of management override of controls, areas considered higher risk relating to the presentation of information in the financial statements included the recognition of revenue.
- We assessed the control environment, documenting the systems, controls and processes adopted and undertook an assessment of risk identified in designing our audit approach which incorporates a combination of controls testing, where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and those charged with governance and we obtained additional corroborative evidence as required.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and correctly allocated in the nominal ledger;
- reviewed restricted expenditure to ensure funds were spent in line with the terms of the applied restriction;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed the nature of the disclosures within the financial statements to ensure they meet the requirements of accounting standards and relevant legislation.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work to evaluate inconsistencies and significant variances in income streams;
- reviewed third party documentation to confirm that relevant entries were reflected in the accounting records;
- reviewed transactions before and after the year end to ensure they had been allocated to the correct period, and;
- reviewed fund balances for any misallocation of income sources.

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 directors 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.

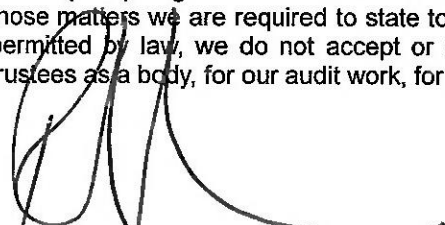
THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Macdonald (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

29 September 2023

Chartered Accountants
Statutory Auditor

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Moore (South) LLP is eligible for appointment as auditor of the trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income and endowments from:</u>							
Donations and legacies	3	283,776	170,600	454,376	381,432	-	381,432
Other trading activities	4	4,109	-	4,109	19,925	-	19,925
Investments	5	39,074	2,951	42,025	38,744	2,438	41,182
Other income	6	1,689	-	1,689	-	-	-
Total income		328,648	173,551	502,199	440,101	2,438	442,539
<u>Expenditure on:</u>							
Raising funds	7	24,183	-	24,183	22,705	-	22,705
Charitable activities	8	491,395	-	491,395	738,876	880	739,756
Other	12	-	-	-	52	-	52
Total expenditure		515,578	-	515,578	761,633	880	762,513
Net gains/(losses) on investments	13	(183,781)	(13,924)	(197,705)	146,665	9,475	156,140
Net movement in funds		(370,711)	159,627	(211,084)	(174,867)	11,033	(163,834)
Fund balances at 1 January 2022		2,741,726	122,171	2,863,897	2,916,593	111,138	3,027,731
Fund balances at 31 December 2022		2,371,015	281,798	2,652,813	2,741,726	122,171	2,863,897

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

All income and expenditure derive from continuing activities.

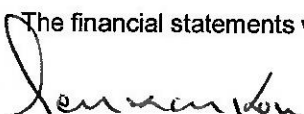
THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	15		1,238,130		1,384,349
Heritage assets	16		191,680		21,080
Investments	17		1,181,620		1,435,727
			<u>2,611,430</u>		<u>2,841,156</u>
Current assets					
Stocks	18	18,183		24,975	
Cash at bank and in hand		71,773		36,312	
		<u>89,956</u>		<u>61,287</u>	
Creditors: amounts falling due within one year	19	(48,573)		(38,546)	
Net current assets			41,383		22,741
Total assets less current liabilities			<u>2,652,813</u>		<u>2,863,897</u>
Income funds					
Restricted funds	20		281,798		122,171
Unrestricted funds			2,371,015		2,741,726
			<u>2,652,813</u>		<u>2,863,897</u>

The financial statements were approved by the Trustees on 22 September 2023



Major General J Kerr CBE
Trustee

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	24		(51,192)		(257,990)
Investing activities					
Purchase of tangible fixed assets		(13,463)		(782,574)	
Purchase of investments		(41,909)		(41,162)	
Proceeds on disposal of investments		100,000		450,000	
Investment income received		42,025		41,182	
Net cash generated from/(used in) investing activities			86,653		(332,554)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			35,461		(590,544)
Cash and cash equivalents at beginning of year			36,312		626,856
Cash and cash equivalents at end of year			<u>71,773</u>		<u>36,312</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Royal Logistic Corps Museum Trust CIO is constituted as a CIO by the Charity Commission with registered number 1172831. The registered address is Regimental Headquarters, The Royal Logistic Corps, Building 204, Worthy Down Camp, Winchester, Hampshire, SO21 2RG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Income

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grants, donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource.

For legacies and donations, entitlement is the earlier of the charity being notified of an impending distribution or the legacy/donation being received.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including governance costs are allocated or apportioned to the applicable expenditure headings. Costs of charitable activities include grants made, governance costs and an apportionment of support costs.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

1.6 Tangible fixed assets

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

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

Computer and other equipment	5 years straight line
Museum collection	5 years straight line
Fixtures and fittings	10 years straight line

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.7 Heritage assets

The museum holds a number of heritage assets all of which are considered to be of historical significance in relation to the RLC and the British Army. These assets have been owned by the corps, in some cases for over 100 years, and their value to the corps cannot be measured as these items in the collection are irreplaceable as they are unique items. Due to their age, no information on original cost is available. A list of High Value Artefacts and Archives in the collection of the Royal Logistic Corps Museum is detailed below:

Archives

- Board of Ordnance Letter Books from Tipner/Malta/Sheerness - Eighteenth/Nineteenth Century Board of Ordnance letter books and various types of issues/receipts /stores books. Location - Museum Archive.
- RASC Post-War Write-Ups - Nine box collection of fifty-two books providing historical narrative of the RASC in the Second World War used as source material in creation of the official histories. Location - Museum Archive.
- B' Vehicle Record Archive - Since 2004 the cards have generated funds for the museum and continue to do so. These cards are irreplaceable.

Artifacts

The principle valuable artefacts other than medals which are stored off site and can be itemised separately are identified in the Emergency Plan:

- Rolls Royce Wraith
- Items in Napoleonic Case
 - Coatee of Royal Waggon Train
 - Miniature of Officer of the RWT
 - Army List in glazed case
 - Oil painting of Arms of the Ordnance Corps
- Oil Painting of the Marquis of Granby

1.8 Fixed asset investments

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 statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Investment Income is accounted for in the year in which the Trust is entitled to receipt. It includes dividends.

1.9 Impairment of fixed assets

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

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.12 Taxation

The Trust is exempt from UK Corporation Tax and is not VAT registered.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	22,792	-	22,792	12,850
Grants receivable for core activities	260,984	-	260,984	368,582
Other	-	170,600	170,600	-
	<u>283,776</u>	<u>170,600</u>	<u>454,376</u>	<u>381,432</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

(Continued)

Grants receivable for core activities

The RLC Association Trust Fund Annual Grant	90,000	-	90,000	90,000
The RLC Association Fund Shop Grant	10,000	-	10,000	10,000
Grant in Aid - Ogilby Trust	109,900	-	109,900	89,223
MOD funded staff and premises costs	51,084	-	51,084	179,359
	<u>260,984</u>	<u>-</u>	<u>260,984</u>	<u>368,582</u>

The grant from the MOD represents the Trustees estimated value of the salaries of the Museum Staff belonging to the Civil Service. These are currently on mark time rates of pay. It also includes an estimated value of the premises and utilities provided from public funds.

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Shop income	4,109	19,925
	<u>4,109</u>	<u>19,925</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Investments	Unrestricted funds		Restricted funds		Total	
	2022	2021	2022	2021	2022	2021
	£	£	£	£	£	£
Income from listed investments	38,958	38,724	2,951	2,438	41,909	41,162
Interest receivable	116	20	-	-	116	20
	<u>39,074</u>	<u>38,744</u>	<u>2,951</u>	<u>2,438</u>	<u>42,025</u>	<u>41,182</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Other income

	Unrestricted funds	Total
	2022	2021
	£	£
Net gain on disposal of programme related investments	1,689	-

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Shop Expenditure</u>		
Cost of Sales	3,249	5,618
Postage	125	200
Other expenditure	407	1,182
Staff costs	20,402	15,705
	<u>24,183</u>	<u>22,705</u>
Shop Expenditure	24,183	22,705
	<u>24,183</u>	<u>22,705</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Charitable activities

	Charitable activities 2022 £	Charitable activities 2021 £
Staff costs	171,517	279,872
Depreciation and impairment	159,681	157,983
Rent, Rates and Utilities	32,300	47,760
Conservation	3,637	3,556
Maintenance	620	2,148
Collections	1,967	441
Reference	111	156
Postage	59	34
IT	8,426	2,953
Insurance	5,666	3,481
Stationery	557	467
Telephone	-	902
Travel	3,568	2,629
Printing & Advertising	2,897	2,432
Professional Fees and Subscriptions	1,572	960
Training	1,373	768
Other charitable expenditure	84,097	223,312
	<u>478,048</u>	<u>729,854</u>
Share of governance costs (see note 9)	13,347	9,902
	<u>491,395</u>	<u>739,756</u>
Analysis by fund		
Unrestricted funds	491,395	738,876
Restricted funds	-	880
	<u><u>491,395</u></u>	<u><u>739,756</u></u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Audit fees	-	8,000	8,000	6,500
Accountancy	-	4,984	4,984	3,000
Meetings	-	363	363	402
	-	13,347	13,347	9,902
Analysed between Charitable activities	-	13,347	13,347	9,902

Governance costs includes payments to the auditors of £8,000 (2021- £6,500) for audit fees and £4,984 for non-audit fees (2021 - £3,000).

10 Trustees

One Trustee has received reimbursement of expenses in 2021 totalling £631, no expenses were reimbursed during 2022.

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Museum	4	4
Shop	1	1
Adminstration	1	1
Total	6	6
Employment costs	2022 £	2021 £
Wages and salaries	191,919	295,577

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Other

	Total £ 2022	Unrestricted funds 2021
Net loss on disposal of tangible fixed assets	-	52
	-	52

13 Net gains/(losses) on investments

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Revaluation of investments	(183,781)	(13,924)	(197,705)	146,665	9,475
					156,140

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

15 Tangible fixed assets

	Computer and other equipment £	Museum collection £	Fixtures and fittings £	Total £
Cost				
At 1 January 2022	28,634	16,138	1,500,000	1,544,772
Additions	13,463	-	-	13,463
At 31 December 2022	42,097	16,138	1,500,000	1,558,235
Depreciation and impairment				
At 1 January 2022	7,195	3,228	150,000	160,423
Depreciation charged in the year	6,454	3,228	150,000	159,682
At 31 December 2022	13,649	6,456	300,000	320,105
Carrying amount				
At 31 December 2022	28,448	9,682	1,200,000	1,238,130
At 31 December 2021	21,439	12,910	1,350,000	1,384,349

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Heritage assets

	Heritage assets £
At 1 January 2022	21,080
Donated assets	170,600
At 31 December 2022	191,680

The museum director continues the long task of compiling an inventory of artefacts belonging to the Trust. Due to the historic nature of these artefacts the Trustees have not yet included them on the balance sheet.

Silver previously held without a value attributed to it has been introduced after receiving a valuation in year.

17 Fixed asset investments

	Listed investments: Museum Development Fund	Listed investments: Museum £	Total £
Cost or valuation			
At 1 January 2022	1,334,636	101,091	1,435,727
Additions	38,958	2,951	41,909
Valuation changes	(183,781)	(13,924)	(197,705)
Disposals	(98,311)	-	(98,311)
At 31 December 2022	1,091,502	90,118	1,181,620
Carrying amount			
At 31 December 2022	1,091,502	90,118	1,181,620
At 31 December 2021	1,334,636	101,091	1,435,727

18 Stocks

	2022 £	2021 £
Finished goods and goods for resale	18,183	24,975

19 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	48,573	38,546

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2021		Movement in funds		Revaluations, gains and losses		Balance at 1 January 2022		Movement in funds		Balance at 31 December 2022	
	£	£	Incoming resources	Resources expended	£	£	£	£	Incoming resources	Resources expended	£	£
Other restricted	111,138		2,438	(880)	9,475		122,171		173,551	(13,924)		281,798

The Acquisition Fund (Restricted Income Fund) was established in 2007 in the Museum Trust by a donation of £100,000 from the RAOC Charitable Trust. Following an initial spend of £50,000 acquiring artefacts the residual £50,000 was invested in 2008 into the Armed Forces Common Investment Fund (AFCIF) as a long term reserve. This fund was inherited from the Museum Trust at the point of incorporation of the CIO. The fund is solely for the purchase of new acquisitions for the museum collection. Expenditure against the fund is controlled through the Trustees.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

The unrestricted funds are available to be spent for any of the purposes of the charity. Unrestricted funds have been split between general and museum development fund to identify the specific donations income, and expenditure on the museum development.

The Museum Development Fund benefitted in 2016 from a £3,000,000 donation from the Defence Logistic Vocational Trust specifically towards the relocation and redevelopment of The RLC Museum at a future site at the Defence College of Logistics, Policing and Administration, Worthy Down. £1,500,000 was invested into the museum development fund investment and £1,500,000 into the museum general fund investment. Both investments were made before being inherited by the CIO. The museum development fund was liquidated in year and used to furnish the museum's new building at Worthy Down.

22 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	1,238,130	-	1,238,130	1,384,349	-	1,384,349
Heritage assets	-	191,680	191,680	-	21,080	21,080
Investments	1,091,502	90,118	1,181,620	1,334,636	101,091	1,435,727
Current assets/(liabilities)	41,383	-	41,383	22,741	-	22,741
	<u>2,371,015</u>	<u>281,798</u>	<u>2,652,813</u>	<u>2,741,726</u>	<u>122,171</u>	<u>2,863,897</u>

23 Related party transactions

Transactions with related parties

The Royal Logistics Corps Association Trust Fund shares key management and two Trustees with this Trust. During the year the Trust received a £100,000 donation (2021: £100,000). There were also £5,643.49 (2021: £3,936.75) of costs recharged from the RLC association relating to insurance and professional fees. At the year end, the Trust owed £37,773 (2021: £29,046) to The Royal Logistics Corps Association Trust.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24	Cash generated from operations	2022	2021
		£	£
	Deficit for the year	(211,084)	(163,834)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(42,025)	(41,182)
	(Gain)/loss on disposal of tangible fixed assets	-	52
	Gain on disposal of investments	(1,688)	-
	Non-cash donation of heritage asset	(170,600)	-
	Fair value gains and losses on investments	197,705	(156,140)
	Depreciation and impairment of tangible fixed assets	159,681	157,983
	Movements in working capital:		
	Decrease in stocks	6,792	-
	Increase/(decrease) in creditors	10,027	(54,869)
	Cash absorbed by operations	<u>(51,192)</u>	<u>(257,990)</u>
25	Analysis of changes in net funds		
	The trust had no debt during the year.		

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

England & Wales - Charity number 1172831

Accounts

Charity registration number 1172831

**THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Major General J S Kerr CBE Brigadier M J Wharmby OBE Lieutenant Colonel N A Smith Colonel J D Fielden LVO MBE Colonel J C West ADC Colonel P R Rossiter	(Appointed 1 August 2021) (Appointed 1 October 2021)
Charity number	1172831	
Auditor	Moore (South) LLP 33 The Clarendon Centre Salisbury Business Park Dairy Meadow Lane Salisbury Wiltshire SP1 2TJ	
Bankers	Holt's Military Banking Lawrie House Victoria Road Farnborough Hampshire GU14 7NR	
Solicitors	Clifton Ingram LLP 11 South Street Farnham Surrey GU9 7QX	

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

CONTENTS

	Page
Trustees report	1 - 5
Statement of responsibilities	6
Independent auditor's report	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 27

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their fourth report as a CIO and the audited financial statements of the charity for the fourth full accounting period ended 31 December 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2015) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

History and Background

The museum was established and funded initially by the Royal Logistic Corps Association Trust in 1995 and it became a separate unincorporated charity with registered number 1083009 on 7 September 2000. In preparation for redevelopment and relocation of the museum to purpose-built premises in Worthy Down, the decision was taken to establish the Charity as a CIO to take on the operation of the museum. This took place on 1 July 2017 and the Charity was also appointed by order of the Charity Commission as the trustee of the museum collection together with an Acquisition Fund derived from a donation of £100,000 from the RAOC Charitable Trust. This restricted fund is applied towards the acquisition of items for addition to the collection as well as their maintenance. A gift of £3,000,000 from the Defence Logistic Vocational Trust in 2016 was applied towards the costs of the relocation and redevelopment of the museum in its new location at Worthy Down. All other sources of funds were transferred to the newly incorporated Charity for its operational purposes.

The Royal Logistic Corps Association Trust continues to be a major source of income for the operation of the museum by the Charity.

Successful Phase 2 Registration was formally awarded on 13 December 2001 and represented a major initiative in the museum's development. As part of this process Trustees adopted a Museum Forward Plan and the Museum's Collection Management Policy and Plan. An external audit of the Museum was conducted in 2005, by a team from the Imperial War Museum, in preparation for formal Accreditation in 2008. Work towards Accreditation was completed and presented to the MLA review board in February 2009. Full Accreditation status was awarded in July 2010, again on 24 July 2014 and this was extended whilst in Deepcut and has remained in place with the subsequent relocation and reopening in Worthy Down.

A Museum Director, Secretary and a Treasurer, the latter two as part of wider roles and funded by the Ministry of Defence, carry out the day-to-day work of the Charity. A small museum team and clerical staff support them. Accommodation, some telephones and all utilities are provided from Public Funds. The director and most of the staff are private employees funded primarily through MOD (AMOT) grant-in-aid. A board of trustees directs the work of the Manager, Secretary and Treasurer. The Trustees meet at least twice in each year and all major policy issues are considered by them and a consensus view taken.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management

The RLC Museum Trust CIO is regulated by a Trust Deed No 1172831 dated 1 July 2017. The Charity was constituted as a CIO by the Charity Commission with registered number 1172831.

The trustees who served during the year and up to the date of signature of the financial statements were:

Major General J S Kerr CBE	
Brigadier M J Wharmby OBE	
Lieutenant Colonel NA Smith	
Lieutenant Colonel A C Monk	(Resigned 4 October 2021)
Colonel J D Fielden LVO MBE	(Appointed 1 August 2021)
Colonel J C West ADC	
Ms M A Protani	(Resigned 30 April 2022)
Colonel P R Rossiter	(Appointed 1 October 2021)

The Trustees who are non-executive, set the policy of the museum and oversee the management, direction and performance of the staff all but one of whom are employees of the charity. One staff member is an employee of the MOD.

The present Chairman of Trustees is a Colonel Commandant of The Royal Logistic Corps. Other trustees are members or former members of The RLC or predecessor Corps.

Trustees (less the Colonel RLC who is ex-officio) are on term appointments and all make a Trustee declaration of interests on appointment. Trustee training is conducted by offering vacancies on appropriate Arts Council England training days and by attendance at annual meetings of the Army Museum Ogilby Trust. Succession planning for trustees is considered periodically by the Board.

One of the primary funders of the charity is The RLC Association Trust and the two charities share a Secretary and Treasurer.

Objectives and activities

Under clause 3 of the constitution of the Charity, the objects are to educate the public and members of the Corps in the history and military accomplishments of the Corps and the former constituent Corps and to promote military efficiency and encourage recruitment by public exhibition of the Collection in a museum or museums or such other places as the Trustees may from time to time decide and to conserve, restore, repair reconstruct and preserve objects in the Collection for the benefit of the public. There has been no change in these during the year.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities of the Charity.

The main activity of the Charity in 2021 was completion of fitting out of the building and reopening as a fully functioning and much improved the RLC museum at Worthy Down. We continued to develop the Charity's policies and working practices in accordance with the objects as well as carrying out education on the history of The Royal Logistic Corps.

The main challenges facing the Charity have been the final fit out and delivery of a modern dynamic and interactive museum at the new site at Worthy Down near Winchester. Trustees have established a Working Group to address these two key issues; the latter includes the development of a new museum facility and exhibition display area. The museum, having closed to the public in Deepcut in December 2019 successfully reopened in its new location in 2021. The new museum was opened formally by HRH the Princess Royal in her capacity as Patron on 13th May 2021.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Charity staff continues the compiling of an inventory of artefacts belonging to the Charity and inherited from the Predecessor Corps. Due to the uncertainty in the valuation of these artefacts, the Trustees have not included them on the balance sheet. The Charity holds a small number of loan items all of which are formally registered and the rules for their custody and management are detailed in the Charity's Collections Development Policy. In preparation for the move the objects and archives collections are being inspected and disposal action taken where appropriate.

The Charity depends on funding from The RLC Association Trust Fund and submits an annual request to that Trust for funding for the following period. Any surpluses at the end of the financial period are taken into account when the budget for the following period is drawn up. Money accrued through underspend is invested to be used to support the continuing development and future funding of the museum. A budget and outline plan for the Charity's short to medium term development has been agreed and forms part of the Forward Plan.

The Charity has introduced a number of initiatives to raise additional income; charges for enquiries and B Vehicle Records have continued to be levied. Due to closure of the museum, it has not been possible this year to run the normal series of events and lectures for military personnel, veterans and the public. The main focus for the staff continues to be the fit out of the new museum, which has included work towards completion of the outstanding inventory compilation.

Trustees have sought formal guidance on their personal liability and indemnity and the Charity's insurance policy has been reviewed and updated accordingly. The charity has an emergency plan and has undertaken a full risk assessment. Museum security is periodically reviewed by the MOD and the necessary action, where appropriate, is taken.

The outcome of a formal tendering process leading to a contract award for the new site at Worthy Down was agreed in April 2014, building commenced in 2019 and was completed in 2020. The fit out of displays and the RCT Medal room was successfully achieved, despite the challenges of Covid-19, by May 2021. The building is operated by the charity on a 50-year lease with the MOD.

The assets purchased through collections that have a monetary value are held on the Heritage Asset Register. This is maintained and updated by the curator and insurance policies are reviewed annually to meet the valuations.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

The double impact of relocation and Covid-19 meant that not until 2021 was the Charity able to resume meeting its objectives. This was marked by a series of events announcing the museum's arrival in Worthy Down. Since opening to the public on 18th May 2021 the new museum is successfully attracting visitors and there is a growing footfall as it becomes established on the Winchester based military museum circuit.

Throughout the period of relocation and redevelopment researchers have still been able to conduct on-line enquiries against digitised records, for which a small charge is levied.

Work to complete the Collection inventories has progressed well in 2021 and is in line with the Charity's objectives. The digitised Military Vehicle Records, mentioned in paragraph 22 above, are a major source of research inquiries and useful income generator. These are set to migrate to a new host server in 2022.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Charity has two principal funding sources:

- a. MOD, which funds most of the Charity's staff plus the museum building, its lease and utilities costs. These have an estimated annual value of some £180K.
- b. An annual grant from The RLC Association Trust Fund which totaled £100,000 in 2021, part of which is provided to underpin the museum shop, supports the bulk of routine operating costs. The RCT Medal Collection, hosted within a purpose built room in the museum has an extant Restricted fund supporting it within The RLC Association Trust fund.
- c. Additional funding comes from research inquiries, donations and charges for lectures and events. Notably a generous donation of £3M was received from the Def Log VQ Trust, which having been invested to accumulate further growth, funded the majority of the development of the new museum. Some £1.4M in residual funds remains for the future support of the Charity.
- d. The majority of funds sit within an investment portfolio created for the Charity; the objective of this investment is to help towards greater self-sufficiency and to support the enhanced operation planned for the future

In 2010, the trustees of the Charitable Trust established a Funding Working Group to review its funding sources. The decision was made at that time not to charge for entry to the museum and the Charity has decided not to change that policy. The RLC Association Trust agreed in 2013 to increase its annual donation thereby giving a level of certainty over future funding and that will continue to be paid to the Charity. Support for a museum remains a major objective for The RLC Association Trust as part of the efficiency of the Corps and to maintain the Corps' heritage, and this includes continued funding support for the museum. The size of the grant is reviewed on an annual basis.

The museum made a deficit in year of £319,974 which has been generated from the continued fit out of the new museum building. This was funded by the DEFLOG investment which was liquidated and converted to cash in 2020.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Risk management

The Board of Trustees has a Charter, forward plan and action plan which cover all aspects of the charity's activities including areas of risk; it is actively reviewed and updated at every board meeting. This includes a 5-period budget plan and financial forecast. The Museum completed re-accreditation through Arts Council England in April 2014 and as a key constituent of the preparation for re-accreditation, Trustees introduced a new forward plan and action plan.

Major risks have been reviewed and systems or procedures have been established to manage those risks. To safeguard its activities and key assets the charity has the following agreements/policies in place:

- a. An emergency plan that addresses and mitigates the risk to the museum and its collections.
- b. An Internal Business Agreement with the Ministry of Defence defining the support provided by MOD (Army HQ), including the provision of utilities.
- c. A 50 years lease with the MOD Defence Infrastructure Organisation, successfully negotiated in time for relocation of the museum to Worthy Down in 2020.
- d. A regular security inspection of the museum and its collections.

Trustees review these periodically and embrace risk areas within their action plan.

Plans for future periods

The Trustees' primary aim for the future is to develop and maintain a fully functioning, custom built, dynamic, and state of the art museum on the new site in Worthy Down.

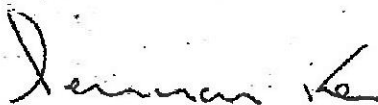
Public Benefit

Public benefit is promoted through education, advancement of heritage and the promotion of the efficiency of The Royal Logistic Corps and the wider armed forces. Since 18th May 2021 the Museum has been open to the public including at weekends. The Museum has resumed a comprehensive outreach programme with military colleges and units, local schools, youth groups, university of the third age and other organisations and societies, and this is growing steadily following relaxation of Covid-19 restrictions.

Museum volunteers normally undertake between them some fifty hours per week and fundraising for projects but again there has been an impact from Covid-19. A Museum Friends Society exists, but this is steadily dwindling in numbers and is not as active as in previous years. Further support comes from a small group of military vehicle volunteers who restore, fund raise and help keep roadworthy the museum's vehicle collection.

The report was approved by the Board of Trustees.

.....
Major General J S Kerr CBE
Trustee



Date: 25th October 2022

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees are responsible for preparing the Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources of the trust for that year.

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 the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Opinion

We have audited the financial statements of The Royal Logistic Corps Museum Trust CIO (the 'trust') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. 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 charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 trust 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 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 trust'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 other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Responsibilities of trustees

As explained more fully in the statement of responsibilities, the trustees 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 trust'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the accounts due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be the Charities Act 2011, the Charity SORP and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the company is complying with these frameworks by making enquiries of those charged with governance. We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, and the inherent difficulty in detecting irregularities by holding discussions with management and those charged with responsibility for ensuring legal and regulatory compliance is adhered to and considered the internal controls in place to mitigate identified risks. As a result, a fraud risk was identified relating to management override.
- In addition to the possibility of management override of controls, areas considered higher risk relating to the presentation of information in the financial statements included the recognition of revenue.
- We assessed the control environment, documenting the systems, controls and processes adopted and undertook an assessment of risk identified in designing our audit approach which incorporates a combination of controls testing, where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and those charged with governance and we obtained additional corroborative evidence as required.
- We obtained an understanding and assessed the impact of Covid-19 on the operations of the charity and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption in the preparation of the financial statements and dovetailed this with knowledge gained from our audit work.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and correctly allocated in the nominal ledger, and;
- reviewed restricted expenditure to ensure funds were spent in line with the terms of the applied restriction.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work to evaluate inconsistencies and significant variances in income streams;
- reviewed third party documentation to confirm that relevant entries were reflected in the accounting records;
- reviewed transactions before and after the year end to ensure they had been allocated to the correct period, and;
- reviewed fund balances for any misallocation of income sources.

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 directors 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.

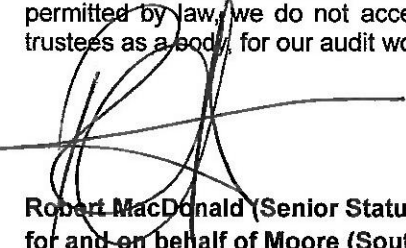
THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert MacDonald (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

20 January 2023

Chartered Accountants
Statutory Auditor

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Moore (South) LLP is eligible for appointment as auditor of the trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	Total Unrestricted funds as restated	Restricted funds	Total as restated
	Notes	2021 £	2021 £	2021 £	2020 £	2020 £
Income from:						
Donations and legacies	3	381,432	-	381,432	378,166	378,166
Other trading activities	4	19,925	-	19,925	20,994	20,994
Investments	5	38,744	2,438	41,182	88,825	91,641
Total income		440,101	2,438	442,539	2,816	490,801
Expenditure on:						
Raising funds	6	22,705	-	22,705	33,047	33,047
Charitable activities	7	738,876	880	739,756	699,251	699,251
Other	12	52	-	52	-	-
Total resources expended		761,633	880	762,513	-	732,298
Net gains/(losses) on investments	13	146,665	9,475	156,140	(397,473)	(393,023)
Net movement in funds		(174,867)	11,033	(163,834)	7,266	(634,520)
Fund balances at 1 January 2021		2,916,593	111,138	3,027,731	103,872	3,662,251
Fund balances at 31 December 2021		2,741,726	122,171	2,863,897	111,138	3,027,731

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

All income and expenditure derive from continuing activities.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

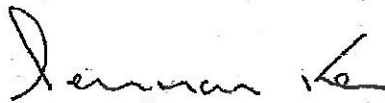
BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	14		1,384,349		759,810
Heritage assets	15		21,080		21,080
Investments	16		1,435,727		1,688,424
			<u>2,841,156</u>		<u>2,469,314</u>
Current assets					
Stocks	18	24,975		24,975	
Cash at bank and in hand		36,312		626,856	
		<u>61,287</u>		<u>651,831</u>	
Creditors: amounts falling due within one year	19	(38,546)		(93,414)	
Net current assets			<u>22,741</u>		<u>558,417</u>
Total assets less current liabilities			<u>2,863,897</u>		<u>3,027,731</u>
Income funds					
Restricted funds	20		122,171		111,138
Unrestricted funds			2,741,726		2,916,593
			<u>2,863,897</u>		<u>3,027,731</u>

The financial statements were approved by the Trustees on 28th October 2022

Major General J S Kerr CBE
Trustee



THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021		2020 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	25		(257,990)		(268,055)
Investing activities					
Purchase of tangible fixed assets		(782,574)		(750,377)	
Purchase of investments		(41,162)		(91,525)	
Proceeds on disposal of investments		450,000		1,469,234	
Investment income received		41,182		91,642	
Net cash (used in)/generated from investing activities			(332,554)		718,974
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(590,544)		450,919
Cash and cash equivalents at beginning of year			626,856		175,937
Cash and cash equivalents at end of year			36,312		626,856

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

The Royal Logistic Corps Museum Trust CIO is constituted as a CIO by the Charity Commission with registered number 1172831. The registered address is Regimental Headquarters, The Royal Logistic Corps, Building 204, Worthy Down Camp, Winchester, Hampshire, SO21 2RG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Income

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grants, donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource.

For legacies and donations, entitlement is the earlier of the charity being notified of an impending distribution or the legacy/donation being received.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including governance costs are allocated or apportioned to the applicable expenditure headings. Costs of charitable activities include grants made, governance costs and an apportionment of support costs.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

1.6 Tangible fixed assets

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

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

Computer and other equipment	5 years straight line
Museum collection	5 years straight line
Fixtures and fittings	10 years straight line

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.7 Heritage assets

The museum holds a number of heritage assets all of which are considered to be of historical significance in relation to the RLC and the British Army. These assets have been owned by the corps, in some cases for over 100 years, and their value to the corps cannot be measured as these items in the collection are irreplaceable as they are unique items. Due to their age, no information on original cost is available. A list of High Value Artefacts and Archives in the collection of the Royal Logistic Corps Museum is detailed below:

Archives

- Board of Ordnance Letter Books from Tipner/Malta/Sheerness - Eighteenth/Nineteenth Century Board of Ordnance letter books and various types of issues/receipts /stores books. Location - Museum Archive.
- RASC Post-War Write-Ups - Nine box collection of fifty-two books providing historical narrative of the RASC in the Second World War used as source material in creation of the official histories. Location - Museum Archive.
- B' Vehicle Record Archive - Since 2004 the cards have generated funds for the museum and continue to do so. These cards are irreplaceable.

Artifacts

The principle valuable artefacts other than medals which are stored off site and can be itemised separately are identified in the Emergency Plan:

- Rolls Royce Wraith
- Items in Napoleonic Case
 - Coatee of Royal Waggon Train
 - Miniature of Officer of the RWT
 - Army List in glazed case
 - Oil painting of Arms of the Ordnance Corps
- Oil Painting of the Marquis of Granby

1.8 Fixed asset investments

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 statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Investment Income is accounted for in the year in which the Trust is entitled to receipt. It includes dividends.

1.9 Impairment of fixed assets

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

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.12 Taxation

The Trust is exempt from UK Corporation Tax and is not VAT registered.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	12,850	9,979
Grants receivable for core activities	368,582	368,187
	<u>381,432</u>	<u>378,166</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies (Continued)

Grants receivable for core activities

The RLC Association Trust Fund Annual Grant	90,000	90,000
The RLC Association Fund Shop Grant	10,000	10,000
Grant in Aid - Ogilby Trust	89,223	88,828
MOD funded staff and premises costs	179,359	179,359
	<u>368,582</u>	<u>368,187</u>

The grant from the MOD represents the Trustees estimated value of the salaries of the Museum Staff belonging to the Civil Service. These are currently on mark time rates of pay. It also includes an estimated value of the premises and utilities provided from public funds.

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Shop income	<u>19,925</u>	<u>20,994</u>

5 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Income from listed investments	38,724	2,438	41,162	88,709	2,816	91,525
Interest receivable	20	-	20	116	-	116
	<u>38,744</u>	<u>2,438</u>	<u>41,182</u>	<u>88,825</u>	<u>2,816</u>	<u>91,641</u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6	Raising funds	(Continued)	
	<u>Shop Expenditure</u>		
	Cost of Sales	5,618	9,603
	Postage	200	-
	Other expenditure	1,182	1,360
	Staff costs	15,705	22,084
		<hr/>	<hr/>
	Shop Expenditure	22,705	33,047
		<hr/>	<hr/>
		22,705	33,047
		<hr/> <hr/>	<hr/> <hr/>
7	Charitable activities	Charitable activities 2021 £	Charitable activities as restated 2020 £
	Staff costs	279,872	279,358
	Depreciation and impairment	157,983	1,312
	Rent, Rates and Utilities	47,760	47,764
	Conservation	3,556	14,320
	Maintenance	2,148	1,928
	Collections	441	10,009
	Reference	156	47
	Postage	34	34
	IT	2,953	17,862
	Insurance	3,481	-
	Stationery	467	930
	Telephone	902	1,799
	Travel	2,629	1,357
	Printing & Advertising	2,432	-
	Professional Fees and Subscriptions	960	264
	Training	768	240
	Other charitable expenditure	223,312	311,974
		<hr/>	<hr/>
		729,854	689,198
		<hr/>	<hr/>
	Share of governance costs (see note 9)	9,902	10,053
		<hr/>	<hr/>
		739,756	699,251
		<hr/> <hr/>	<hr/> <hr/>
	Analysis by fund		
	Unrestricted funds	738,876	699,251
	Restricted funds	880	-
		<hr/>	<hr/>
		739,756	699,251
		<hr/> <hr/>	<hr/> <hr/>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Description of charitable activities

Charitable activities

Charitable activities

9 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Audit fees	-	6,500	6,500	6,800
Accountancy	-	3,000	3,000	3,000
Meetings	-	402	402	253
	-	9,902	9,902	10,053
Analysed between Charitable activities	-	9,902	9,902	10,053

Governance costs includes payments to the auditors of £6,500 (2020- £6,800) for audit fees and £3,000 for non-audit fees (2020 - £3,000).

10 Trustees

One (2020: two) Trustee has received reimbursement of expenses in 2021 totalling £631 (2020 - £253).

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Museum	4	5
Shop	1	1
Adminstration	1	1
Total	6	7
Employment costs	2021	2020
	£	£
Wages and salaries	295,577	301,442

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Other

	Unrestricted funds	Total
	2021	£ 2020
Net loss on disposal of tangible fixed assets	52	-
	<u>52</u>	<u>-</u>

13 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Revaluation of investments	146,665	9,475	156,140	(397,473)	4,450	(393,023)
	<u>146,665</u>	<u>9,475</u>	<u>156,140</u>	<u>(397,473)</u>	<u>4,450</u>	<u>(393,023)</u>

14 Tangible fixed assets

	Assets under construction	Computer and other equipment	Museum collection	Fixtures and fittings	Total
	£	£	£	£	£
Cost					
At 1 January 2021 as restated	750,000	33,395	-	-	783,395
Additions	-	16,436	16,138	750,000	782,574
Disposals	-	(21,197)	-	-	(21,197)
Other changes	(750,000)	-	-	750,000	-
At 31 December 2021	<u>-</u>	<u>28,634</u>	<u>16,138</u>	<u>1,500,000</u>	<u>1,544,772</u>
Depreciation and impairment					
At 1 January 2021	-	23,585	-	-	23,585
Depreciation charged in the year	-	4,755	3,228	150,000	157,983
Eliminated in respect of disposals	-	(21,145)	-	-	(21,145)
At 31 December 2021	<u>-</u>	<u>7,195</u>	<u>3,228</u>	<u>150,000</u>	<u>160,423</u>
Carrying amount					
At 31 December 2021	<u>-</u>	<u>21,439</u>	<u>12,910</u>	<u>1,350,000</u>	<u>1,384,349</u>
At 31 December 2020 as restated	<u>750,000</u>	<u>9,810</u>	<u>-</u>	<u>-</u>	<u>759,810</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Heritage assets

	Heritage assets £
At 1 January 2021 and at 31 December 2021	21,080

The museum director continues the long task of compiling an inventory of artefacts belonging to the Trust. Due to the historic nature of these artefacts the Trustees have not yet included them on the balance sheet.

16 Fixed asset investments

	Listed investments: Museum Development Fund	Listed investments: Museum £	Total £
Cost or valuation			
At 1 January 2021	1,599,246	89,178	1,688,424
Additions	38,724	2,438	41,162
Valuation changes	146,666	9,475	156,141
Disposals	(450,000)	-	(450,000)
At 31 December 2021	1,334,636	101,091	1,435,727
Carrying amount			
At 31 December 2021	1,334,636	101,091	1,435,727
At 31 December 2020	1,599,246	89,178	1,688,424

17 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	1,435,727	1,688,424

18 Stocks

	2021 £	2020 £
Finished goods and goods for resale	24,975	24,975

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	-	2,253
Other creditors	38,546	91,161
	<u>38,546</u>	<u>93,414</u>
	<u><u>38,546</u></u>	<u><u>93,414</u></u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020	Movement in funds		Balance at 1 January 2021	Movement in funds		Balance at 31 December 2021
		Incoming resources	Revaluations, gains and losses		Incoming resources	Revaluations, gains and losses	
	£	£	£	£	£	£	£
Other restricted	103,872	2,816	4,450	111,138	(880)	9,475	122,171

The Acquisition Fund (Restricted Income Fund) was established in 2007 in the Museum Trust by a donation of £100,000 from the RAOC Charitable Trust. Following an initial spend of £50,000 acquiring artefacts the residual £50,000 was invested in 2008 into the Armed Forces Common Investment Fund (AFCIF) as a long term reserve. This fund was inherited from the Museum Trust at the point of incorporation of the CIO. The fund is solely for the purchase of new acquisitions for the museum collection. Expenditure against the fund is controlled through the Trustees.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Movement in funds		
	Balance at 1 January 2020	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 1 January 2021	Incoming resources	Balance at 31 December 2021
	£	£	£	£	£	£	£
Museum development fund	1,908,302	38,208	(1,469,234)	(477,276)	-	-	-
	<u>1,908,302</u>	<u>38,208</u>	<u>(1,469,234)</u>	<u>(477,276)</u>	<u>-</u>	<u>-</u>	<u>-</u>

The unrestricted funds are available to be spent for any of the purposes of the charity. Unrestricted funds have been split between general and museum development fund to identify the specific donations income, and expenditure on the museum development.

The Museum Development Fund benefitted in 2016 from a £3,000,000 donation from the Defence Logistic Vocational Trust specifically towards the relocation and redevelopment of The RLC Museum at a future site at the Defence College of Logistics, Policing and Administration, Worthy Down. £1,500,000 was invested into the museum development fund investment and £1,500,000 into the museum general fund investment. Both investments were made before being inherited by the CIO. The museum development fund was liquidated in year and used to furnish the museum's new building at Worthy Down.

22 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds as restated	Restricted funds	Total as restated
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Tangible assets	1,384,349	-	1,384,349	759,810	-	759,810
Heritage assets	-	21,080	21,080	-	21,080	21,080
Investments	1,334,636	101,091	1,435,727	1,599,246	89,178	1,688,424
Current assets/(liabilities)	22,741	-	22,741	557,537	880	558,417
	<u>2,741,726</u>	<u>122,171</u>	<u>2,863,897</u>	<u>2,916,593</u>	<u>111,138</u>	<u>3,027,731</u>

23 Related party transactions

Transactions with related parties

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

23 Related party transactions

(Continued)

The Royal Logistics Corps Association Trust Fund shares key management and two Trustees with this Trust. During the year the Trust received a £100,000 donation (2020: £100,000) and a £Nil (2020: £109,650) contribution towards the medal collection from The Royal Logistics Corps Association Trust. There were also £3,936.75 (2020: £1,092) of costs recharged from the RLC association relating to insurance and professional fees. At the year end, the Trust owed £29,046 (2020: £59,856) to The Royal Logistics Corps Association Trust.

24 Prior Year Restatement

It was identified that expenditure of £750,000 was incurred in 2020 relating to the bespoke manufacture of cabinets for the museum at Worthy Down. This expenditure should have been capitalised but was recognised as unrestricted revenue expenditure. This has been amended through a prior year restatement to recognise the assets as tangible assets, reducing the expenditure on charitable activities and increasing the unrestricted funds.

Expenditure on charitable activities per financial statements as at 31 December 2020	1,449,251
Capitalisation of expenditure on cabinets for new museum	(750,000)
	<hr/>
Restated expenditure on charitable activities per financial statements as at 31 December 2020	699,251
	<hr/> <hr/>
Tangible assets per financial statements as at 31 December 2020	9,810
Capitalisation of expenditure on cabinets for new museum	750,000
	<hr/>
Restated expenditure on charitable activities per financial statements as at 31 December 2020	759,810
	<hr/> <hr/>
General unrestricted funds per financial statements as at 31 December 2020	2,166,593
Capitalisation of expenditure on cabinets for new museum	750,000
	<hr/>
Restated expenditure on charitable activities per financial statements as at 31 December 2020	2,916,593
	<hr/> <hr/>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

25	Cash generated from operations	2021	2020
		£	as restated £
	Deficit for the year	(163,834)	(634,520)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(41,182)	(91,641)
	Loss on disposal of tangible fixed assets	52	-
	Fair value gains and losses on investments	(156,140)	393,023
	Depreciation and impairment of tangible fixed assets	157,983	1,312
	Movements in working capital:		
	(Increase)/decrease in stocks	-	2,445
	(Increase)/decrease in debtors	-	946
	(Decrease)/increase in creditors	(54,869)	60,380
	Cash absorbed by operations	<u>(257,990)</u>	<u>(268,055)</u>
26	Analysis of changes in net funds		
	The trust had no debt during the year.		

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

England & Wales - Charity number 1172831

Accounts

**THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**



THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Major General J S Kerr CBE
Brigadier M J Wharmby OBE
Lieutenant Colonel N A Smith
Lieutenant Colonel A Monk
Colonel J Fielden LVO MBE
Colonel J West ADC

Charity number

1172831

Senior Management Personnel

Lieutenant Colonel (Retired) Stephen Ahmed Yafai (Regimental Secretary)
Lieutenant Colonel (Retired) Ian Geoffrey Stark (Regimental Treasurer)

Registered address

Regimental Headquarters
The Royal Logistics Corps,
Building 204, Worthy Down Camp
Winchester
Hampshire
SO21 2RG

Auditor

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Bankers

Holt's Military Banking
Lawrie House
Victoria Road
Farnborough
Hampshire
GU14 7NR

Solicitors

Clifton Ingram LLP
11 South Street
Farnham
Surrey
GU9 7QX

Investment advisors

Armed Forces Charities Growth & Investment Fund
(Managed by Blackrock)
12 Throgmorton Avenue
London
EC2N 2DL

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Restrictions

The activities of the Charity, which was established as a Charitable Incorporated Organisation (CIO) on 22 May 2017, are restricted to the objects and must observe the other matters specified in its constitution. The Charity was appointed by the Charity Commission as the trustee of the museum collection 1 July 17, and in this regard must observe the terms of the trust deed dated 7 September 2000 (as amended).

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

CONTENTS

	Page
Trustees report	1 - 7
Independent auditor's report	8 - 11
Statement of financial activities	12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 27

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their third report as a CIO and the audited financial statements of the charity for the third full accounting year ended 31 December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2015) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

History and Background

The museum was established and funded initially by the Royal Logistic Corps Association Trust in 1995 and it became a separate unincorporated charity with registered number 1083009 on 7 September 2000. In preparation for redevelopment and relocation of the museum to purpose-built premises in Worthy Down, the decision was taken to establish the Charity as a CIO to take on the operation of the museum. This took place on 1 July 2017 and the Charity was also appointed by order of the Charity Commission as the trustee of the museum collection together with an Acquisition Fund derived from a donation of £100,000 from the RAOC Charitable Trust. This restricted fund is applied towards the acquisition of items for addition to the collection as well as their maintenance. A gift of £3,000,000 from the Defence Logistic Vocational Trust in 2016 was applied towards the costs of the relocation and redevelopment of the museum in its new location at Worthy Down, this fund was liquidated in year to fund the move to the museum's new premises. All other sources of funds were transferred to the newly incorporated Charity for its operational purposes.

The Royal Logistic Corps Association Trust continues to be a major source of income for the operation of the museum by the Charity.

Successful Phase 2 Registration was formally awarded on 13 December 2001 and represented a major initiative in the museum's development. As part of this process Trustees adopted a Museum Forward Plan and the Museum's Collection Management Policy and Plan. An external audit of the Museum was conducted in 2005, by a team from the Imperial War Museum, in preparation for formal Accreditation in 2008. Work towards Accreditation was completed and presented to the MLA review board in February 2009. Full Accreditation status was awarded in July 2010, again on 24 July 2014 and this was extended whilst in Deepcut. Full accreditation will take place once fully operational in Worthy Down.

A Museum Director, Secretary and a Treasurer, the latter two as part of wider roles and funded by the Ministry of Defence, carry out the day-to-day work of the Charity. A small museum team and clerical staff support them. Accommodation, some telephones and all utilities are provided from Public Funds. The director and most of the staff are private employees funded primarily through MOD (AMOT) grant-in-aid. A board of trustees directs the work of the Director, Secretary and Treasurer. The Trustees meet at least twice in each year and all major policy issues are considered by them and a consensus view taken.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

The RLC Museum Trust CIO is regulated by a Trust Deed No 1172831 dated 1 July 2017. The Charity was constituted as a CIO by the Charity Commission.

The trustees who served during the year and up to the date of signature of the financial statements were:

Major General J S Kerr CBE
Brigadier M J Wharmby OBE
Lieutenant Colonel N A Smith
Lieutenant Colonel Anthony Monk
Colonel James Fielden LVO MBE
Colonel Jonathan West ADC
Ms M A Protani

The Trustees who are non-executive, set the policy of the museum and oversee the management, direction and performance of the staff all but one of whom are employees of the charity. One staff member is an employee of the MOD.

The present Chairman of Trustees is a Colonel Commandant of The Royal Logistic Corps. Other trustees are members or former members of The RLC or predecessor Corps.

Trustees (less the Colonel RLC who is ex-officio) are on term appointments and all make a Trustee declaration of interests on appointment. Trustee training is conducted by offering vacancies on appropriate Arts Council England training days and by attendance at annual meetings of the Army Museum Ogilby Trust. Succession planning for trustees is considered periodically by the Board.

One of the primary funders of the charity is The RLC Association Trust and the two charities share a Secretary and Treasurer.

The Board of Trustees has a Charter, forward plan and action plan which cover all aspects of the charity's activities including areas of risk; it is actively reviewed and updated at every board meeting. This includes a 5 period budget plan and financial forecast. The Museum completed re-accreditation through Arts Council England in April 2014 and as a key constituent of the preparation for re-accreditation, Trustees introduced a new forward plan and action plan.

Major risks have been reviewed and systems or procedures have been established to manage those risks. To safeguard its activities and key assets the charity has the following agreements/policies in place:

- a. An emergency plan that addresses and mitigates the risk to the museum and its collections.
- b. An Internal Business Agreement with the Ministry of Defence defining the support provided by MOD (Army HQ), including the provision of utilities.
- c. A lease with the MOD Defence Infrastructure Organisation, successfully negotiated in time for relocation of the museum to Worthy Down in 2020.
- d. A regular security inspection of the museum and its collections.

Trustees review these periodically and embrace risk areas within their action plan.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities

The activities of the Charity, which was established as a Charitable Incorporated Organisation (CIO) on 22 May 2017, are restricted to the objects and must observe the other matters specified in its constitution. The Charity was appointed by the Charity Commission as the trustee of the museum collection 1 July 17, and in this regard must observe the terms of the trust deed dated 7 September 2000 (as amended).

Under clause 3 of the constitution of the Charity, the objects are to educate the public and members of the Corps in the history and military accomplishments of the Corps and the former constituent Corps and to promote military efficiency and encourage recruitment by public exhibition of the Collection in a museum or museums or such other places as the Trustees may from time to time decide and to conserve, restore, repair reconstruct and preserve objects in the Collection for the benefit of the public. There has been no change in these during the year.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities of the Charity.

The main activity of the Charity in 2020 was the relocation of the museum to Worthy Down and the commencement of fitting out the building in preparation for the display of exhibits. We continued to develop the Charity's policies and working practices in accordance with the objects as well as carrying out education on the history of The Royal Logistic Corps.

The main challenges facing the Charity has been preparation of the new site near Winchester. The museum closed to the public in Deepcut in December 2019 and should reopen in its new location in 2021. Trustees have established a Working Group to address these two key issues; the latter includes the development of a new museum facility and exhibition display area. Work to develop this continues to make positive progress.

The Charity staff continues the compiling of an inventory of artefacts belonging to the Charity and inherited from the Predecessor Corps. Due to the uncertainty in the valuation of these artefacts, the Trustees have not included them on the balance sheet. The Charity holds a small number of loan items all of which are formally registered and the rules for their custody and management are detailed in the Charity's Collections Development Policy. In preparation for the move the objects and archives collections are being inspected and disposal action taken where appropriate.

The Charity depends on funding from The RLC Association Trust Fund and submits an annual request to that Trust for funding for the following period. Any surpluses at the end of the financial period are taken into account when the budget for the following period is drawn up. Money accrued through underspend is invested to be used to support the development and future funding of the new museum. A reserve fund has also been set aside in The RLC Association Trust Fund to support the relocation of the museum but it has not been necessary to draw against this fund. A budget and outline plan for the Charity's short to medium term development has been agreed and forms part of the Forward Plan.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Charity has introduced a number of initiatives to raise additional income; charges for enquiries and B Vehicle Records have continued to be levied. Due to closure of the museum, it has not been possible this year to run the normal series of events and lectures for military personnel, veterans and the public. The main focus for the staff continues to be the fit out of the new museum, which has included work towards completion of the outstanding inventory compilation.

Trustees have sought formal guidance on their personal liability and indemnity and the Charity's insurance policy has been reviewed and updated accordingly. The charity has an emergency plan and has undertaken a full risk assessment. Museum security is periodically reviewed by the MOD and the necessary action, where appropriate, is taken.

The outcome of a formal tendering process leading to a contract award for the new site at Worthy Down was agreed in April 2014, final building plans for the new museum have been completed and construction of the building commenced in 2019 and completed in 2020. The lease with the MOD is now in place for the Charity to occupy the new building at Worthy Down. Trustees have concluded a formal contract tender process and a commercial contract for the exhibition design and fit out of the new museum has been awarded and is proceeding well despite the challenges of Covid-19.

The assets purchased through collections that have a monetary value are held on the Heritage Asset Register. This is maintained and updated by the curator and insurance policies are reviewed annually to meet the valuations.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Achievements and performance

The double impact of relocation and Covid-19 meant that the Charity was unable to meet its objectives in 2020. However, the Charity is planning a series of events to announce our arrival in Worthy Down and attract visitors to the new museum, following reopening in 2021.

However, researchers have still been able to conduct on-line enquiries against digitised records, for which a small charge is levied.

Work to complete the Collection inventories has progressed well in 2020 and is in line with the Charity's objectives. The digitised Military Vehicle Records, mentioned in paragraph 22 above, are a major source of research inquiries and useful income generator.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The Charity has two principal funding sources:

- a. MOD, which funds most of the Charity's staff plus the museum building, its lease and utilities costs. These have an estimated annual value of some £180K.
- b. An annual grant from The RLC Association Trust Fund which totalled £100,000 in 2020, part of which was to subsidise the Corps shop for the welfare benefit of members of the Corps. The RLC Association Trust has also established a reserve to support the reestablishment of the Charity at its new site which will part fund the new medal room.
- c. Additional funding comes from research inquiries, donations and charges for lectures and events. Notably a generous donation of £3M was received from the Def Log VQ Trust which has been invested to accumulate further growth towards the development of the new museum. This fund was liquidated in year to pay for the relocation and provided the cash to facilitate the in year spend resulting in a deficit of £1,384,520.
- d. An additional investment portfolio has been created for the Charity; the objective of this investment is to help towards greater self-sufficiency and to support the costs of relocation.

In 2010, the trustees of the Charitable Trust established a Funding Working Group to review its funding sources. This decision was made at that time not to charge for entry to the museum and the Charity has decided not to change that policy. The RLC Association Trust agreed in 2013 to increase its annual donation thereby giving a level of certainty over future funding and that will continue to be paid to the Charity. Support for a museum remains a major objective for The RLC Association Trust as part of the efficiency of the Corps and to maintain the Corps' heritage, and this is likely to include funding support for developing the museum on the new site.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Risk management

The Board of Trustees has a Charter, forward plan and action plan which cover all aspects of the charity's activities including areas of risk; it is actively reviewed and updated at every board meeting. This includes a 5 period budget plan and financial forecast. The Museum completed re-accreditation through Arts Council England in April 2014 and as a key constituent of the preparation for re-accreditation, Trustees introduced a new forward plan and action plan.

Major risks have been reviewed and systems or procedures have been established to manage those risks. To safeguard its activities and key assets the charity has the following agreements/policies in place:

- a. An emergency plan that addresses and mitigates the risk to the museum and its collections.
- b. An Internal Business Agreement with the Ministry of Defence defining the support provided by MOD (Army HQ), including the provision of utilities.
- c. A lease with the MOD Defence Infrastructure Organisation, successfully extended to coincide with the planned relocation of the museum in 2020.
- d. A regular security inspection of the museum and its collections.

Trustees review these periodically and embrace risk areas within their action plan.

Plans for future periods

The Trustees primary aim for the future is to develop and maintain a fully functioning, custom built, dynamic, and state of the art museum on the new site in Worthy Down.

Public Benefit

Public benefit is promoted through education, advancement of heritage and the promotion of the efficiency of The Royal Logistic Corps and the wider armed forces. The Museum will reopen to the public in 2021 and will include weekends. The Museum has normally a comprehensive outreach programme with military colleges and units, local schools, youth groups, university of the third age and other organisations and societies, but this has been on hold due to relocation and Covid-19.

Museum volunteers normally undertake between them some fifty hours per week and fundraising for projects but again there has been an impact from Covid-19. An active Museum Friends Society exists, which supplements the level of voluntary effort, and these are further supported by a group of military vehicle volunteers who restore, fund raise and care for the museum's vehicle collection.

THE ROYAL LOGISTICS CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of responsibilities

The trustees are responsible for preparing the Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources of the trust for that year.

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 the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

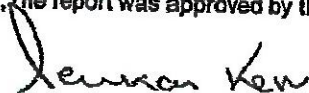
Auditor

In accordance with the company's articles, a resolution proposing that Moore (South) LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The report was approved by the Board of Trustees.



Major General J S Kerr CBE
Trustee

10 December 2021

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Opinion

We have audited the financial statements of The Royal Logistic Corps Museum Trust CIO (the 'trust') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 trust 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 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 trust'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 other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Responsibilities of trustees

As explained more fully in the statement of responsibilities, the trustees 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 trust'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the accounts due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was identified as a significant risk to the audit, as income may not be recognised in accordance with the SORP and restricted and unrestricted income may not be classified correctly.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be the Charities Act 2011, the Charity SORP and UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charity complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact of Covid-19 on the operations of the charity and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and dovetailed this with work undertaken on management override.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and appropriate;
- reviewed sensitive nominal codes;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed the disclosures within the accounts to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work,
- reviewed third party documentation to confirm that relevant entries were reflected in the accounting records;
- reviewed closing fund balances for any misallocation of income sources and
- reviewed minutes of trustee meetings to confirm any income sources mentioned were included correctly within the accounts and identified if there were mentions of any restrictions placed on income.

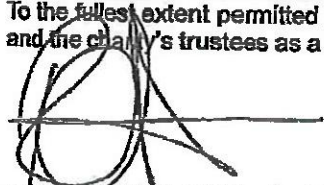
THE ROYAL LOGISTICS CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTICS CORPS MUSEUM TRUST CIO

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert MacDonald (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

13th DECEMBER 2021

Chartered Accountants
Statutory Auditor

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Moore (South) LLP is eligible for appointment as auditor of the trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Unrestricted funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Income from:</u>							
Donations and legacies	3	378,166	-	378,166	375,000	-	375,000
Other trading activities	4	20,994	-	20,994	50,267	-	50,267
Investments	5	88,825	2,816	91,641	157,366	2,706	160,072
Total income		487,985	2,816	490,801	582,633	2,706	585,339
<u>Expenditure on:</u>							
Raising funds	6	33,047	-	33,047	56,051	-	56,051
Charitable activities	7	1,449,251	-	1,449,251	849,561	-	849,561
Total resources expended		1,482,298	-	1,482,298	905,612	-	905,612
Net gains/(losses) on investments	11	(397,473)	4,450	(393,023)	493,125	9,946	503,071
Net movement in funds		(1,391,786)	7,266	(1,384,520)	170,146	12,652	182,798
Fund balances at 1 January 2020		3,558,379	103,872	3,662,251	3,388,233	91,220	3,479,453
Fund balances at 31 December 2020		2,166,593	111,138	2,277,731	3,558,379	103,872	3,662,251

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

All income and expenditure derive from continuing activities.

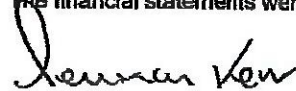
THE ROYAL LOGISTICS CORPS MUSEUM TRUST CIO

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	12		9,810		10,745
Heritage assets	13		21,080		21,080
Investments	14		1,688,424		3,459,157
			<u>1,719,314</u>		<u>3,490,982</u>
Current assets					
Stocks	16		24,975		27,420
Debtors	17		-		946
Cash at bank and in hand			626,856		175,937
			<u>651,831</u>		<u>204,303</u>
Creditors: amounts falling due within one year	18		(93,414)		(33,034)
Net current assets			<u>558,417</u>		<u>171,269</u>
Total assets less current liabilities			<u>2,277,731</u>		<u>3,662,251</u>
Income funds					
Restricted funds	19		111,138		103,872
<u>Unrestricted funds</u>					
Designated funds	20		-		1,908,302
General unrestricted funds			2,166,593		1,650,077
			<u>2,166,593</u>		<u>3,558,379</u>
			<u>2,277,731</u>		<u>3,662,251</u>

The financial statements were approved by the Trustees on 10 December 2021



Major General J S Kerr CBE
Trustee

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	23	(1,018,055)		(464,431)	
Investing activities					
Purchase of tangible fixed assets		(377)		(11,891)	
Purchase of investments		(91,525)		(159,803)	
Proceeds on disposal of investments		1,469,234		550,000	
Investment income received		91,642		160,072	
Net cash generated from investing activities		1,468,974		538,378	
Net cash used in financing activities		-		-	
Net increase in cash and cash equivalents		450,919		73,947	
Cash and cash equivalents at beginning of year		175,937		101,990	
Cash and cash equivalents at end of year		626,856		175,937	

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Royal Logistic Corps Museum Trust CIO is constituted as a CIO by the Charity Commission with registered number 1172831. The registered address is Regimental Headquarters, The Royal Logistic Corps, Building 204, Worthy Down Camp, Winchester, Hampshire, SO21 2RG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Income

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grants, donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource.

For legacies and donations, entitlement is the earlier of the charity being notified of an impending distribution or the legacy/donation being received.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including governance costs are allocated or apportioned to the applicable expenditure headings. Costs of charitable activities include grants made, governance costs and an apportionment of support costs.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

1.6 Tangible fixed assets

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

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

Computer and other equipment	5 years straight line
------------------------------	-----------------------

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.7 Heritage assets

A list of High Value Artefacts and Archives in the collection of the Royal Logistic Corps Museum is detailed below:

Archives

- Board of Ordnance Letter Books from Tipner/Malta/Sheerness - Eighteenth/Nineteenth Century Board of Ordnance letter books and various types of issues/receipts /stores books. Location - Museum Archive.
- RASC Post-War Write-Ups - Nine box collection of fifty-two books providing historical narrative of the RASC in the Second World War used as source material in creation of the official histories. Location - Museum Archive.
- B' Vehicle Record Archive - Since 2004 the cards have generated funds for the museum and continue to do so. These cards are irreplaceable.

Artifacts

The principle valuable artefacts other than medals which are stored off site and can be itemised separately are identified in the Emergency Plan:

- Rolls Royce Wraith
- Items in Napoleonic Case
 - Coatee of Royal Waggon Train
 - Miniature of Officer of the RWT
 - Army List in glazed case
 - Oil painting of Arms of the Ordnance Corps
- Oil Painting of the Marquis of Granby

1.8 Fixed asset investments

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 statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Investment Income is accounted for in the year in which the Trust is entitled to receipt. It includes dividends.

1.9 Impairment of fixed assets

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

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.12 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.13 Taxation

The Trust is exempt from UK Corporation Tax and is not VAT registered.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	9,979	9,894
Grants receivable for core activities	368,187	365,106
	<u>378,166</u>	<u>375,000</u>
Grants receivable for core activities		
The RLC Association Trust Fund Annual Grant	90,000	90,000
The RLC Association Fund Shop Grant	10,000	10,000
Grant in Aid - Ogilby Trust	88,828	85,747
MOD funded staff and premises costs	-	179,359
Other	179,359	-
	<u>368,187</u>	<u>365,106</u>

The grant from the MOD represents the Trustees estimated value of the salaries of the Museum Staff belonging to the Civil Service. These are currently on mark time rates of pay. It also includes an estimated value of the premises and utilities provided from public funds.

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Shop income	20,994	50,267
	<u>20,994</u>	<u>50,267</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Income from listed investments	88,709	2,816	91,525	157,097	2,706	159,803
Interest receivable	116	-	116	269	-	269
	<u>88,825</u>	<u>2,816</u>	<u>91,641</u>	<u>157,366</u>	<u>2,706</u>	<u>160,072</u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Shop Expenditure</u>		
Cost of Sales	9,603	39,800
Postage	-	1,149
Other expenditure	1,360	544
Staff costs	22,084	13,283
Support costs	-	1,275
Shop Expenditure	<u>33,047</u>	<u>56,051</u>
	<u>33,047</u>	<u>56,051</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Charitable activities

	Charitable Expenditure Heading 1 2020 £	Charitable Expenditure Heading 1 2019 £
Staff costs	279,358	271,848
Depreciation and impairment	1,312	-
Rent, Rates and Utilities	47,764	47,764
Conservation	14,320	11,179
Maintenance	1,928	7,971
Collections	10,009	4,961
Reference	47	38
Postage	34	541
IT	17,862	378
Insurance	-	3,727
Security	-	1,367
Stationery	930	379
Telephone	1,799	1,718
Travel	1,357	3,545
Printing & Advertising	-	473
Professional Fees and Subscriptions	264	1,834
Training	240	862
Other charitable expenditure	1,061,974	478,749
	<u>1,439,198</u>	<u>837,334</u>
Share of support costs (see note 8)	-	1,584
Share of governance costs (see note 8)	10,053	10,643
	<u>1,449,251</u>	<u>849,561</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Depreciation	-	-	-	1,584	-	1,584
Audit fees	-	6,800	6,800	-	8,055	8,055
Accountancy	-	3,000	3,000	-	3,000	3,000
Meetings	-	253	253	-	863	863
	-	10,053	10,053	1,584	11,918	13,502
Analysed between						
Trading	-	-	-	-	1,275	1,275
Charitable activities	-	10,053	10,053	1,584	10,643	12,227
	-	10,053	10,053	1,584	11,918	13,502

Governance costs includes payments to the auditors of £6,800 (2019- £8,055) for audit fees and £3,000 for non-audit fees (2019 - £3,000).

9 Trustees

Two Trustees have received reimbursement of expenses for attending meetings in 2020 totalling £253 (2019 - £863).

10 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Museum	5	5
Shop	1	1
Adminstration	1	1
Total	7	7
Employment costs	2020	2019
	£	£
Wages and salaries	301,442	285,131

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Revaluation of investments	(397,473)	4,450	(393,023)	493,125	9,946	503,071

12 Tangible fixed assets

	Computer and other equipment
	£
Cost	
At 1 January 2020	33,018
Additions	377
At 31 December 2020	33,395
Depreciation and impairment	
At 1 January 2020	22,273
Depreciation charged in the year	1,312
At 31 December 2020	23,585
Carrying amount	
At 31 December 2020	9,810
At 31 December 2019	10,745

13 Heritage assets

	Heritage assets
	£
At 1 January 2020 and at 31 December 2020	21,080

The museum director continues the long task of compiling an inventory of artefacts belonging to the Trust. Due to the historic nature of these artefacts the Trustees have not yet included them on the balance sheet.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Fixed asset investments

	Listed investments: MDF M&G	Listed investments: Museum Development Fund	Listed investments: Museum	Total
	£	£	£	£
Cost or valuation				
At 1 January 2020	1,908,302	1,468,943	81,912	3,459,157
Additions	38,208	50,501	2,816	91,525
Valuation changes	(477,276)	79,802	4,450	(393,024)
Disposals	(1,469,234)	-	-	(1,469,234)
At 31 December 2020	-	1,599,246	89,178	1,688,424
Carrying amount				
At 31 December 2020	-	1,599,246	89,178	1,688,424
At 1 January 2019	1,908,302	1,468,943	81,912	3,459,157

15 Financial instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	1,688,424	3,459,157

16 Stocks

	2020	2019
	£	£
Finished goods and goods for resale	24,975	27,420

17 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	-	946

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	2,253	45
Other creditors	91,161	32,989
	<u>93,414</u>	<u>33,034</u>

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Balance at 31 December 2020 £
	Balance at 1 January 2019 £	Incoming resources £	Revaluations, gains and losses £	Balance at 1 January 2020 £	Incoming resources £	Revaluations, gains and losses £	
Other restricted	91,220	2,706	9,946	103,872	2,816	4,450	111,138
	<u>91,220</u>	<u>2,706</u>	<u>9,946</u>	<u>103,872</u>	<u>2,816</u>	<u>4,450</u>	<u>111,138</u>

The Acquisition Fund (Restricted Income Fund) was established in 2007 in the Museum Trust by a donation of £100,000 from the RAOC Charitable Trust. Following an initial spend of £50,000 acquiring artefacts the residual £50,000 was invested in 2008 into the Armed Forces Common Investment Fund (AFCIF) as a long term reserve. This fund was inherited from the Museum Trust at the point of incorporation of the CIO. The fund is solely for the purchase of new acquisitions for the museum collection. Expenditure against the fund is controlled through the Trustees.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		Movement in funds		Balance at 31 December 2020	
	Balance at 1 January 2019	Incoming resources	Revaluations, gains and losses	Balance at 1 January 2020	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£	£	£	£
Museum development fund	1,551,627	92,380	264,295	1,908,302	38,208	(1,469,234)	(477,276)	-
	1,551,627	92,380	264,295	1,908,302	38,208	(1,469,234)	(477,276)	-

The unrestricted funds are available to be spent for any of the purposes of the charity. Unrestricted funds have been split between general and museum development fund to identify the specific donations income, and expenditure on the museum development.

The Museum Development Fund benefitted in 2016 from a £3,000,000 donation from the Defence Logistic Vocational Trust specifically towards the relocation and redevelopment of The RLC Museum at a future site at the Defence College of Logistics, Policing and Administration, Worthy Down. £1,500,000 was invested into the museum development fund investment and £1,500,000 into the museum general fund investment. Both investments were made before being inherited by the CIO. The museum development fund was liquidated in year and used to furnish the museum's new building at Worthy Down.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	9,810	-	9,810	10,745	-	10,745
Heritage assets	-	21,080	21,080	-	21,080	21,080
Investments	1,599,246	89,178	1,688,424	3,377,245	81,912	3,459,157
Current assets/ (liabilities)	557,537	880	558,417	170,389	880	171,269
	<u>2,166,593</u>	<u>111,138</u>	<u>2,277,731</u>	<u>3,558,379</u>	<u>103,872</u>	<u>3,662,251</u>

22 Related party transactions

Transactions with related parties

The Royal Logistics Corps Association Trust Fund shares key management and two Trustees with this Trust. During the year the Trust received a £100,000 donation and £109,650 contribution towards the medal collection from The Royal Logistics Corps Association Trust. At the year end, the Trust owed £59,856 (2019 - 20,646) to The Royal Logistics Corps Association Trust.

23 Cash generated from operations

	2020 £	2019 £
(Deficit)/surplus for the year	(1,384,520)	182,798
Adjustments for:		
Investment income recognised in statement of financial activities	(91,641)	(160,072)
Fair value gains and losses on investments	393,023	(503,071)
Depreciation and impairment of tangible fixed assets	1,312	1,584
Movements in working capital:		
Decrease in stocks	2,445	5,805
Decrease/(increase) in debtors	946	(553)
Increase in creditors	60,380	9,078
Cash absorbed by operations	<u>(1,018,055)</u>	<u>(464,431)</u>

24 Analysis of changes in net funds

The trust had no debt during the year.