

THE CHESHIRE MILITARY MUSEUM

England & Wales · Charity number 272108

Details

Other names THE SOLDIERS OF CHESHIRE

Status Registered

Legal form Other

Registered 1976-10-13

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

Contact

Address Cheshire Military Museum
The Castle
Grosvenor Street
Chester
CH1 2DN

Phone 01244327617

Email cheshiremilitarymuseum@live.co.uk

Website www.cheshiremilitarymuseum.co.uk

Activities

Objects: TO PROMOTE THE EFFICIENCY OF THE REGIMENT; AND TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE HISTORY OF THE REGIMENTS AND FORMER REGIMENTS AND ANY OTHER MILITARY UNIT, REGIMENT OR SERVICE WITH PAST OR PRESENT CONNECTIONS TO THE COUNTY OF CHESHIRE; BY THE PROVISION AND MAINTENANCE OF THE REGIMENTAL COLLECTION.

Activities: Museum dedicated to life and times of soldiers of The Cheshire Yeomanry, The 22nd (CHESHIRE) Regiment, The Mercian Regiment and C Sqn RMLY Exhibits show history of regiments raised in Cheshire spanning 3 Centuries. Assists in research for individuals tracing family history. Extra commemorative exhibitions throughout the year.

Classification

- **How:** Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Armed Forces/emergency Service Efficiency
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Cheshire East
- Cheshire West & Chester
- Halton
- Stockport
- Tameside
- Trafford
- Warrington
- Wirral

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£121,351	£99,804	-	-
2024-03-31	£96,001	£81,085	-	-
2023-03-31	£69,485	£82,011	-	-
2022-03-31	£74,168	£68,924	-	-
2021-03-31	£35,256	£45,062	-	-

Trustees

Name	Role	Appointed
Brigadier Benjamin Wilde	Chair	2023-01-29
HILARY WILLIAMS		2013-07-23
James Bede Etherington		2019-12-20
Lt Col Richard Allan John Sernberg		2021-07-24
Mark Hockedy		
NICHOLAS GLAZEBROOK		2024-02-28
Professor Helen O'Sullivan BSc MBA		2021-09-24
Richard Forde-Johnston		2024-01-16

THE CHESHIRE MILITARY MUSEUM

England & Wales - Charity number 272108

Accounts

Charity registration number 272108 (England and Wales)

THE CHESHIRE MILITARY MUSEUM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025



THE CHESHIRE MILITARY MUSEUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees'

Professor H O'Sullivan BSc MBA
Lt Col Richard Sernberg
Brigadier Benjamin Wilde (Chairman)
Colonel H W Williams
Major M E Hockedy
Mr J B Etherington
Mr N Glazebrook
Mr R Forde-Johnston

Charity number (England and Wales)

272108

Principal address

Regimental Headquarters
The Mercian Regiment
The Castle
Chester
Cheshire
CH1 2DN

Independent examiner

Xeinadin North West Limited
First Floor, The Foundation
Herons Way
Chester Business Park
Chester
Cheshire
CH4 9GB

THE CHESHIRE MILITARY MUSEUM

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THE CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The trustees' present their annual report and financial statements for the year ended 31 March 2025.

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 charity'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).

Objectives and activities

The charity's objects are to promote the efficiency of the Regiments; and to advance the education of the public in the history of the regiments and former regiments and any other military unit, regiment or service with past or present connections to the County of Cheshire; by the provision and maintenance of the regimental collection.

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

Achievements and performance

A number of small temporary exhibitions ran alongside the main exhibit. These being the Trench art exhibition and Animals at war exhibition.

Links with local schools and youth organisations continue to grow with a number of educational visits hosted by the staff.

The digitalisation of the Cheshire Regiment archive continues with much of the work in this area being undertaken with the aid of volunteers whose input, together with that of volunteers in other areas of the Museum including refurbishment is invaluable. The trustees are immensely grateful.

The museum funds received a welcome boost from a number of generous donations which will enable us to carry forward our work.

Finally, the Friends of the museum have increased considerably in number during the last year and there subscriptions have enabled us to launch a new website and fund specific displays.

Financial review

The charity had income for the year of £121,351 and expenditure of £99,804. As a result there was an annual surplus of £21,547 (2024 - surplus £14,916). The balance sheet shows fixed assets of £151,745, and net current assets of £276,761, giving total net assets of £424,760.

At 31 March 2025 restricted funds were £nil and unrestricted funds £424,760.

Reserves policy

It is the policy of the charity 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 charity'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 CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Investment policy and objectives

The trustees have the power to make investments as they see fit.

Risk management

The trustees' have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

The Museum Friends have a number of special events planned for the future. Now the revamp of the museum website has been completed further attempts to improve marketing continue to be investigated. The trustees are also undertaking work to secure the future of the museum and the necessary funding streams.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

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

Professor H O'Sullivan BSc MBA

Lt Col Richard Sernberg

Brigadier Benjamin Wilde (Chairman)

Colonel H W Williams

Major M E Hockedy

Mr J B Etherington

Mr N Glazebrook

Mr R Forde-Johnston

Recruitment and appointment of trustees

Trustees are either nominated by the Mercian Regiment or recruited by the board of trustees. They receive training as appropriate.

The Trustees' report was approved by the Board of Trustees'.



M E Hockedy

6 August 2025

THE CHESHIRE MILITARY MUSEUM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES' OF THE CHESHIRE MILITARY MUSEUM

I report to the trustees' on my examination of the financial statements of The Cheshire Military Museum (the charity) for the year ended 31 March 2025.

Responsibilities and basis of report

As the trustees' of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn. I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the Charities Act 2011.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination.

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



Xeinadin North West Limited

First Floor, The Foundation
Herons Way
Chester Business Park
Chester
Cheshire
CH4 9GB
6 August 2025

THE CHESHIRE MILITARY MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income and endowments from:			
Donations and legacies	2	58,846	47,496
Charitable activities	3	36,318	31,267
Other trading activities	4	19,700	15,180
Investments	5	2,965	1,835
Other income	6	3,522	223
Total income		<u>121,351</u>	<u>96,001</u>
Expenditure on:			
Raising funds	7	15,118	6,575
Charitable activities	8	84,686	74,510
Total expenditure		<u>99,804</u>	<u>81,085</u>
Net income and movement in funds		21,547	14,916
Reconciliation of funds:			
Fund balances at 1 April 2024		<u>403,213</u>	<u>388,297</u>
Fund balances at 31 March 2025		<u>424,760</u>	<u>403,213</u>

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

All income and expenditure derive from continuing activities.

THE CHESHIRE MILITARY MUSEUM

BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		151,745		153,039
Current assets					
Stocks	14	8,767		12,408	
Debtors	15	401		252	
Cash at bank and in hand		267,593		241,027	
		<u>276,761</u>		<u>253,687</u>	
Creditors: amounts falling due within one year	16	<u>(3,746)</u>		<u>(3,513)</u>	
Net current assets			273,015		250,174
Total assets less current liabilities			<u>424,760</u>		<u>403,213</u>
The funds of the charity					
Unrestricted funds	17		424,760		403,213
			<u>424,760</u>		<u>403,213</u>

The financial statements were approved by the trustees' on 6 August 2025

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

The Cheshire Military Museum is an unincorporated charity. The principle address is Regimental Headquarters, The Mercian Regiment, The Castle, Chester, Cheshire, CH1 2DN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity'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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have a reasonable expectation that the charity 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 charity 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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity 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.

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

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 charity's contractual obligations expire or are discharged or cancelled.

1.10 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

2 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	34,118	23,833
Other	24,728	23,663
	<hr/>	<hr/>
	58,846	47,496
	<hr/> <hr/>	<hr/> <hr/>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Charitable activities		
Education/school visits	1,652	1,310
Research	1,505	1,350
Subscriptions - friends	13,994	9,675
Admissions	19,167	18,932
	<u>36,318</u>	<u>31,267</u>

4 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Shop income	19,700	15,180
	<u>19,700</u>	<u>15,180</u>

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Bank Interest	2,965	1,829
NSB Interest	-	6
	<u>2,965</u>	<u>1,835</u>

6 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	3,522	223
	<u>3,522</u>	<u>223</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Trading costs		
Merchandise	15,118	6,575
	<u> </u>	<u> </u>

8 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Direct costs		
Staff costs	58,312	54,551
Depreciation and impairment	1,294	1,294
Volunteers allowance	4,376	1,850
Friends - office costs	715	1,544
Display, exhibition and marketing	8,767	7,958
Insurance	2,814	3,187
	<u> </u>	<u> </u>
	76,278	70,384
Share of support and governance costs (see note 9)		
Support	6,013	3,166
Governance	2,395	960
	<u> </u>	<u> </u>
	84,686	74,510
	<u> </u>	<u> </u>
Analysis by fund		
Unrestricted funds	84,686	74,510
	<u> </u>	<u> </u>

9 Support costs allocated to activities

	2025 £	2024 £
Postage and stationery	3,157	1,635
Office expenses	3,209	785
Sundries	4	150
Training and education	471	327
Subscriptions	367	269
Governance costs	1,200	960
	<u> </u>	<u> </u>
	8,408	4,126
	<u> </u>	<u> </u>
Analysed between:		
Charitable activities	8,408	4,126
	<u> </u>	<u> </u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

9 Support costs allocated to activities (Continued)

	2025	2024
	£	£
Governance costs comprise:		
Audit fees	1,200	960
	1,200	960
	1,200	960

10 Net movement in funds 2025

£ **2024**
£

The net movement in funds is stated after charging/(crediting):

Fees payable for the independent examination of the charity's financial statements	1,200	960
Depreciation of owned tangible fixed assets	1,294	1,294
	1,294	1,294
	1,294	1,294

11 Trustees'

None of the trustees' (or any persons connected with them) received any remuneration or benefits from the charity during the year. Trustees expenses totalled £nil (2024: £1,292).

12 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
	3	3
	3	3
	3	3

	2025	2024
	£	£
Employment costs		
Wages and salaries	52,683	49,067
Social security costs	4,249	3,695
Other pension costs	1,380	1,789
	58,312	54,551
	58,312	54,551

The key management personnel of the Charity comprise the Trustees. The total employee benefits of the key management personnel of the Museum were £nil (2023: £nil).

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

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Tangible fixed assets

	Appeal Property Improvements £
Cost	
At 1 April 2024	487,867
At 31 March 2025	487,867
Depreciation and impairment	
At 1 April 2024	334,828
Depreciation charged in the year	1,294
At 31 March 2025	336,122
Carrying amount	
At 31 March 2025	151,745
At 31 March 2024	153,039

All fixed assets are used for charitable purposes.

14 Stocks

	2025 £	2024 £
Stocks	8,767	12,408

15 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	401	252

16 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	2,118	1,715
Trade creditors	279	27
Other creditors	249	1,771
Accruals and deferred income	1,100	-
	3,746	3,513

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 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.

	At 1 April 2024	Incoming resources	Resources expended	At 31 March 2025
	£	£	£	£
General funds	403,213	121,351	(99,804)	424,760
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
General funds	388,297	96,001	(81,085)	403,213
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

THE CHESHIRE MILITARY MUSEUM

England & Wales - Charity number 272108

Accounts

Charity registration number 272108

**THE CHESHIRE MILITARY MUSEUM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**



THE CHESHIRE MILITARY MUSEUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees'

Professor H O'Sullivan BSc MBA
Lt Col Richard Sernberg
Brigadier Benjamin Wilde (Chairman)
Colonel H W Williams
Major M E Hockedy
Mr J B Etherington
Mr N Glazebrook (Appointed 28 February 2024)
Mr R Forde-Johnston (Appointed 16 January 2024)

Charity number

272108

Principal address

Regimental Headquarters
The Mercian Regiment
The Castle
Chester
Cheshire
CH1 2DN

Independent examiner

Xeinadin North West Limited
2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9QP

THE CHESHIRE MILITARY MUSEUM

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THE CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The trustees' present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note note,note01 to the financial statements and comply with the charity'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).

Objectives and activities

The charity's objects are to promote the efficiency of the Regiments; and to advance the education of the public in the history of the regiments and former regiments and any other military unit, regiment or service with past or present connections to the County of Cheshire; by the provision and maintenance of the regimental collection.

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

Achievements and performance

A number of small temporary exhibitions ran alongside the main exhibit. These being the Cheshire Army Cadets exhibition and preparations for the upcoming Bosnia exhibition.

Links with local schools and youth organisations continue to grow with a number of educational visits hosted by the staff.

The digitalisation of the Cheshire Regiment archive continues with much of the work in this area being undertaken with the aid of volunteers whose input, together with that of volunteers in other areas of the Museum including refurbishment is invaluable. The trustees are immensely grateful.

The museum funds received a welcome boost from a number of generous donations which will enable us to carry forward our work.

Finally the Friends of the museum have increased considerably in number during the last year and there subscriptions have enabled us to launch a new website and fund specific displays.

Financial review

The charity had income for the year of £96,001 and expenditure of £81,084. As a result there was an annual surplus of £14,917 (2023 - deficit £12,526). The balance sheet shows fixed assets of £153,040, and net current assets of £253,687, giving total net assets of £403,214.

At 31 March 2024 restricted funds were £nil and unrestricted funds £403,214.

Reserves policy

It is the policy of the charity 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 charity'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 CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Investment policy and objectives

The trustees have the power to make investments as they see fit.

Risk management

The trustees' have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

The Museum Friends have a number of special events planned for the future. Now the revamp of the museum website has been completed further attempts to improve marketing continue to be investigated. The trustees are also undertaking work to secure the future of the museum and the necessary funding streams.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

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

Professor H O'Sullivan BSc MBA

Alexander Siddell (Resigned 28 February 2024)

Lt Col Richard Sernberg

Brigadier Benjamin Wilde (Chairman)

Colonel H W Williams

Major M E Hockedy

Mr J B Etherington

Mr N Glazebrook (Appointed 28 February 2024)

Mr R Forde-Johnston (Appointed 16 January 2024)

Recruitment and appointment of trustees

Trustees are either nominated by the Mercian Regiment or recruited by the board of trustees. They receive training as appropriate.

The Trustees' report was approved by the Board of Trustees'.



13 December 2024

THE CHESHIRE MILITARY MUSEUM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES' OF THE CHESHIRE MILITARY MUSEUM

I report to the trustees' on my examination of the financial statements of The Cheshire Military Museum (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

As the trustees' of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Xeinadin North West Limited

2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9QP

Dated: 13 December 2024

THE CHESHIRE MILITARY MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income and endowments from:					
Donations and legacies	2	47,496	7,978	22,751	30,729
Charitable activities	3	31,267	19,390	-	19,390
Other trading activities	4	15,180	16,759	-	16,759
Investments	5	1,835	340	-	340
Other income	6	223	2,267	-	2,267
Total income		<u>96,001</u>	<u>46,734</u>	<u>22,751</u>	<u>69,485</u>
Expenditure on:					
Raising funds	7	6,575	10,267	-	10,267
Charitable activities	8	74,510	47,993	23,751	71,744
Total expenditure		<u>81,085</u>	<u>58,260</u>	<u>23,751</u>	<u>82,011</u>
Net income/(expenditure)		14,916	(11,526)	(1,000)	(12,526)
Transfers between funds		-	43,041	(43,041)	-
Net movement in funds	10	14,916	31,515	(44,041)	(12,526)
Reconciliation of funds:					
Fund balances at 1 April 2023		<u>388,297</u>	<u>356,782</u>	<u>44,041</u>	<u>400,823</u>
Fund balances at 31 March 2024		<u>403,213</u>	<u>388,297</u>	<u>-</u>	<u>388,297</u>

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

All income and expenditure derive from continuing activities.

THE CHESHIRE MILITARY MUSEUM

BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		153,039		154,334
Current assets					
Stocks	14	12,408		10,620	
Debtors	15	252		-	
Cash at bank and in hand		241,027		224,177	
		<u>253,687</u>		<u>234,797</u>	
Creditors: amounts falling due within one year	16	<u>(3,513)</u>		<u>(834)</u>	
Net current assets			<u>250,174</u>		<u>233,963</u>
Total assets less current liabilities			<u>403,213</u>		<u>388,297</u>
Net assets excluding pension liability			<u>403,213</u>		<u>388,297</u>
			<u><u>403,213</u></u>		<u><u>388,297</u></u>
The funds of the charity					
Unrestricted funds			<u>403,213</u>		<u>388,297</u>
			<u><u>403,213</u></u>		<u><u>388,297</u></u>

The financial statements were approved by the trustees' on 13 December 2024

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

The Cheshire Military Museum is an unincorporated charity. The principle address is Regimental Headquarters, The Mercian Regiment, The Castle, Chester, Cheshire, CH1 2DN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity'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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have a reasonable expectation that the charity 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 charity 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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity 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.

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

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:

Appeal Property Improvements	in accordance with the property
Computers	25% on cost

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

1.7 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.

1.8 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.

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 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 charity's contractual obligations expire or are discharged or cancelled.

1.10 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

2 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	23,833	-	23,833	14,818	-	14,818
Other	23,663	-	23,663	(6,840)	22,751	15,911
	<u>47,496</u>	<u>-</u>	<u>47,496</u>	<u>7,978</u>	<u>22,751</u>	<u>30,729</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Charitable activities		
Education/school visits	1,310	2,654
Research	1,350	810
Subscriptions - Friends	9,675	3,258
Admissions	18,932	12,668
	<u>31,267</u>	<u>19,390</u>

4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Shop income	15,180	16,759
	<u>15,180</u>	<u>16,759</u>

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Bank interest	1,829	95
NSB interest	6	245
	<u>1,835</u>	<u>340</u>

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	223	2,267
	<u>223</u>	<u>2,267</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Trading costs		
Merchandise	6,575	10,267

8 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Staff costs	54,551	45,715
Depreciation and impairment	1,294	1,294
Volunteers allowance	1,850	3,540
Friends - office costs	1,544	651
Display, exhibition and marketing	7,958	7,877
Insurance	3,187	3,631
Payments to Chester Cathedral	-	97
	<u>70,384</u>	<u>62,805</u>
Share of support and governance costs (see note 9)		
Support	3,166	6,837
Governance	960	2,102
	<u>74,510</u>	<u>71,744</u>
Analysis by fund		
Unrestricted funds	74,510	47,993
Restricted funds	-	23,751
	<u>74,510</u>	<u>71,744</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Support costs allocated to activities

	2024	2023
	£	£
Postage and stationery	1,635	917
Office expenses	785	1,552
Sundries	150	101
Training and education	327	2,350
Subscriptions	269	266
Community relations	-	1,651
Governance costs	960	2,102
	<u>4,126</u>	<u>8,939</u>

Analysed between:

Charitable activities	<u>4,126</u>	<u>8,939</u>
-----------------------	--------------	--------------

	2024	2023
	£	£
Governance costs comprise:		
Audit fees	960	810
Trustees Expenses	-	1,292
	<u>960</u>	<u>2,102</u>

10 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	960	810
Depreciation of owned tangible fixed assets	1,294	1,294
	<u>2,254</u>	<u>2,104</u>

11 Trustees'

None of the trustees' (or any persons connected with them) received any remuneration or benefits from the charity during the year. Trustees expenses totalled £nil (2023: £1,292).

12 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
	<u>3</u>	<u>3</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Employees	(Continued)	
Employment costs	2024 £	2023 £
Wages and salaries	49,067	41,934
Social security costs	3,695	2,267
Other pension costs	1,789	1,514
	<u>54,551</u>	<u>45,715</u>

The key management personnel of the Charity comprise the Trustees. The total employee benefits of the key management personnel of the Museum were £nil (2023: £nil).

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

13 Tangible fixed assets	Appeal Property Improvements £	Computers £	Total £
Cost			
At 1 April 2023	487,867	1	487,868
Disposals	-	(1)	(1)
At 31 March 2024	<u>487,867</u>	<u>-</u>	<u>487,867</u>
Depreciation and impairment			
At 1 April 2023	333,534	-	333,534
Depreciation charged in the year	1,294	-	1,294
At 31 March 2024	<u>334,828</u>	<u>-</u>	<u>334,828</u>
Carrying amount			
At 31 March 2024	<u>153,039</u>	<u>-</u>	<u>153,039</u>
At 31 March 2023	<u>154,333</u>	<u>1</u>	<u>154,334</u>

All fixed assets are used for charitable purposes.

14 Stocks	2024 £	2023 £
Stocks	<u>12,408</u>	<u>10,620</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	252	-
	<u>252</u>	<u>-</u>

16 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	1,715	-
Trade creditors	27	-
Other creditors	1,771	834
	<u>3,513</u>	<u>834</u>

17 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 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Donations from friends	(46,502)	-	-	-	(46,502)
Grants	46,502	-	-	-	46,502
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2023 £
Donations from friends	31,138	-	-	(31,138)	-
Grants	12,903	22,751	(23,751)	(11,903)	-
	<u>44,041</u>	<u>22,751</u>	<u>(23,751)</u>	<u>(43,041)</u>	<u>-</u>
	<u><u>44,041</u></u>	<u><u>22,751</u></u>	<u><u>(23,751)</u></u>	<u><u>(43,041)</u></u>	<u><u>-</u></u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 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.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	388,297	96,001	(81,085)	-	403,213
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	356,782	46,734	(58,260)	43,041	388,297
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

THE CHESHIRE MILITARY MUSEUM

England & Wales - Charity number 272108

Accounts

Charity registration number 272108

THE CHESHIRE MILITARY MUSEUM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

THE CHESHIRE MILITARY MUSEUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Brigadier Benjamin Wilde (Chairman) Major M E Hockedy Professor H O'Sullivan BSc MBA Alexander Siddell Lt Col Richard Sernberg Mr J B Etherington Colonel H W Williams	(Appointed 29 January 2023)
Charity number	272108	
Principal address	Regimental Headquarters The Mercian Regiment The Castle Chester Cheshire CH1 2DN	
Independent examiner	McLintocks (NW) Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9PX	
Bankers	Barclays Bank PLC 30 St Weburgh Street Chester Cheshire CH1 2DY	

THE CHESHIRE MILITARY MUSEUM

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Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 16

THE CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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 charity'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).

Objectives and activities

The charity's objects are to promote the efficiency of the Regiments; and to advance the education of the public in the history of the regiments and former regiments and any other military unit, regiment or service with past or present connections to the County of Cheshire; by the provision and maintenance of the regimental collection.

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

Achievements and performance

A number of small temporary exhibitions ran alongside the main exhibit. These being the Cheshire Army Cadets exhibition and preparations for the upcoming Bosnia exhibition.

Links with local schools and youth organisations continue to grow with a number of educational visits hosted by the staff.

The digitalisation of the Cheshire Regiment archive continues with much of the work in this area being undertaken with the aid of volunteers whose input, together with that of volunteers in other areas of the Museum including refurbishment is invaluable. The trustees are immensely grateful.

The museum funds received a welcome boost from a number of generous donations which will enable us to carry forward our work.

In November a 50th anniversary celebration was held at the museum to thank all the volunteers who have helped build the collection for the educational benefit of the community.

Finally the Friends of the museum have increased considerably in number during the last year and there subscriptions have enabled us to launch a new website and fund specific displays.

Financial review

The charity had income for the year of £69,485 and expenditure of £82,011. As a result there was an annual deficit of £13,782 (2022 - surplus £5,244). The balance sheet shows fixed assets of £154,334 and net current assets of £233,963, giving total net assets of £388,297.

At 31 March 2023 restricted funds were £nil and unrestricted funds £388,297.

Reserves policy

It is the policy of the charity 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 considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity'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.

Investment policy and objectives

The trustees have the power to make investments as they see fit.

Risk management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

Plans for the operating period 2023/24 include refurbishment of the building include the preparations for the upcoming Bosnia exhibition, denoting a major anniversary for the Cheshire regiment. The museum will remain at reduced hours for the foreseeable future although work continues behind closed doors. The Museum Friends has successfully been re-launched, with membership growing well and special events being planned for the future. The revamp of the museum website has been completed and further attempts to improve marketing continue to be investigated. The trustees will also undertake further work to secure the future of the museum and the necessary funding streams.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

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

Brigadier Benjamin Wilde (Chairman) (Appointed 29 January 2023)

Major M E Hockedy

Professor H O'Sullivan BSc MBA

Alexander Siddell

Lt Col Richard Sernberg

Mr J B Etherington

Colonel H W Williams

Colonel M W Forgrave OBE QGM (Resigned 1 January 2023)

Recruitment and appointment of trustees

Trustees are either nominated by the Mercian Regiment or recruited by the board of trustees. They receive training as appropriate.

The trustees' report was approved by the Board of Trustees.



Major M E Hockedy

Trustee

Dated: 14 December 2023

THE CHESHIRE MILITARY MUSEUM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE CHESHIRE MILITARY MUSEUM

I report to the trustees on my examination of the financial statements of The Cheshire Military Museum (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Michael Caputo FCA
McLintocks (NW) Limited
2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9PX

Dated: 14 December 2023

THE CHESHIRE MILITARY MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<u>Income and endowments from:</u>							
Donations and legacies	2	7,978	22,751	30,729	4,832	37,209	42,041
Charitable activities	3	19,390	-	19,390	12,675	2,235	14,910
Other trading activities	4	16,759	-	16,759	17,191	-	17,191
Investments	5	340	-	340	20	6	26
Other income	6	2,267	-	2,267	-	-	-
Total income		46,734	22,751	69,485	34,718	39,450	74,168
<u>Expenditure on:</u>							
Raising funds	7	10,267	-	10,267	11,291	-	11,291
Charitable activities	8	47,993	23,751	71,744	33,046	24,587	57,633
Total expenditure		58,260	23,751	82,011	44,337	24,587	68,924
Net (outgoing)/incoming resources before transfers		(11,526)	(1,000)	(12,526)	(9,619)	14,863	5,244
Gross transfers between funds		43,041	(43,041)	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		31,515	(44,041)	(12,526)	(9,619)	14,863	5,244
Fund balances at 1 April 2022		356,782	44,041	400,823	366,401	29,178	395,579
Fund balances at 31 March 2023		388,297	-	388,297	356,782	44,041	400,823

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

All income and expenditure derive from continuing activities.

THE CHESHIRE MILITARY MUSEUM

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		154,334		155,628
Current assets					
Stocks	13	10,620		9,370	
Debtors	14	-		6,955	
Cash at bank and in hand		224,177		232,117	
		<u>234,797</u>		<u>248,442</u>	
Creditors: amounts falling due within one year	15	<u>(834)</u>		<u>(3,247)</u>	
Net current assets			233,963		245,195
Total assets less current liabilities			<u>388,297</u>		<u>400,823</u>
Income funds					
Restricted funds	16		-		44,041
Unrestricted funds			388,297		356,782
			<u>388,297</u>		<u>400,823</u>

The financial statements were approved by the Trustees on 14 December 2023

Mark Hockedy

Major M E Hockedy
Trustee

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

The Cheshire Military Museum is an unincorporated charity. The principle address is Regimental Headquarters, The Mercian Regiment, The Castle, Chester, Cheshire, CH1 2DN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity'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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have a reasonable expectation that the charity 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.

1.4 Income

Income is recognised when the charity 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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity 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.

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

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:

Appeal property improvements	in accordance with the property
Computers	25% on cost

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

1.7 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.

1.8 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.

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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 charity's contractual obligations expire or are discharged or cancelled.

1.10 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	14,818	-	14,818	3,828	200	4,028
Legacies receivable	-	-	-	1,004	1,024	2,028
Other	(6,840)	22,751	15,911	-	35,985	35,985
	<u>7,978</u>	<u>22,751</u>	<u>30,729</u>	<u>4,832</u>	<u>37,209</u>	<u>42,041</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Charitable activities

	Military Museum 2023 £	Military Museum 2022 £
Education/school visits	2,654	570
Research	810	1,929
Subscriptions - Friends	3,258	2,235
Admissions	12,668	10,176
	<u>19,390</u>	<u>14,910</u>
Analysis by fund		
Unrestricted funds	19,390	12,675
Restricted funds	-	2,235
	<u>19,390</u>	<u>14,910</u>

4 Other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Shop income	16,759	17,191
	<u>16,759</u>	<u>17,191</u>

5 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Bank interest	95	19	6	25
NSB interest	245	1	-	1
	<u>340</u>	<u>20</u>	<u>6</u>	<u>26</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Other income

	Unrestricted funds	Total
	2023 £	2022 £
Other income	2,267	-

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
<u>Trading costs</u>		
Merchandise	10,267	11,291
	<u>10,267</u>	<u>11,291</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Charitable activities

	Military Museum 2023 £	Military Museum 2022 £
Staff costs	45,715	36,988
Depreciation and impairment	1,294	1,294
Volunteers allowance	3,540	2,000
Friends - office costs	651	281
Display, exhibition and marketing	7,877	2,020
Insurance	3,631	3,052
Payments to Chester Cathedral	97	685
	<u>62,805</u>	<u>46,320</u>
Share of support costs (see note 9)	6,837	9,905
Share of governance costs (see note 9)	2,102	1,408
	<u>71,744</u>	<u>57,633</u>
Analysis by fund		
Unrestricted funds	47,993	33,046
Restricted funds	23,751	24,587
	<u>71,744</u>	<u>57,633</u>

9 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Postage and stationery	917	-	917	1,297	-	1,297
Advertising	-	-	-	602	-	602
Office expenses	1,552	-	1,552	1,216	-	1,216
Sundries	101	-	101	72	-	72
Training and education	2,350	-	2,350	5,557	-	5,557
Card save costs	-	-	-	825	-	825
Subscriptions	266	-	266	270	-	270
Community relations	1,651	-	1,651	66	-	66
Audit fees	-	810	810	-	780	780
Trustees' expenses	-	1,292	1,292	-	628	628
	<u>6,837</u>	<u>2,102</u>	<u>8,939</u>	<u>9,905</u>	<u>1,408</u>	<u>11,313</u>
Analysed between						
Charitable activities	<u>6,837</u>	<u>2,102</u>	<u>8,939</u>	<u>9,905</u>	<u>1,408</u>	<u>11,313</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. Trustees expenses totalled £1,292 (2022: £628).

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	3	3
	<u>3</u>	<u>3</u>
Employment costs	2023	2022
	£	£
Wages and salaries	41,934	36,988
Social security costs	2,267	-
Other pension costs	1,514	-
	<u>45,715</u>	<u>36,988</u>
	<u>45,715</u>	<u>36,988</u>

The key management personnel of the Charity comprise the Trustees. The total employee benefits of the key management personnel of the Museum were £nil (2022: £nil).

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

12 Tangible fixed assets

	Appeal property improvements £	Computers £	Total £
Cost			
At 1 April 2022	487,867	1	487,868
	<u>487,867</u>	<u>1</u>	<u>487,868</u>
At 31 March 2023	487,867	1	487,868
	<u>487,867</u>	<u>1</u>	<u>487,868</u>
Depreciation and impairment			
At 1 April 2022	332,240	-	332,240
Depreciation charged in the year	1,294	-	1,294
	<u>333,534</u>	<u>-</u>	<u>333,534</u>
At 31 March 2023	333,534	-	333,534
	<u>333,534</u>	<u>-</u>	<u>333,534</u>
Carrying amount			
At 31 March 2023	154,333	1	154,334
	<u>154,333</u>	<u>1</u>	<u>154,334</u>
At 31 March 2022	155,627	1	155,628
	<u>155,627</u>	<u>1</u>	<u>155,628</u>

All fixed assets are used for charitable purposes.

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13	Stocks	2023	2022
		£	£
	Stock	10,620	9,370
		<u> </u>	<u> </u>
14	Debtors	2023	2022
	Amounts falling due within one year:	£	£
	Trade debtors	-	6,955
		<u> </u>	<u> </u>
15	Creditors: amounts falling due within one year	2023	2022
		£	£
	Trade creditors	-	2,412
	Other creditors	834	835
		<u> </u>	<u> </u>
		<u>834</u>	<u>3,247</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 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 1 April 2021	Income	Expenditure	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£	£	£
Donations from friends	29,178	2,241	(281)	31,138	-	-	(31,138)	-
Grants	-	37,209	(24,306)	12,903	22,751	(23,751)	(11,903)	-
	<u>29,178</u>	<u>39,450</u>	<u>(24,587)</u>	<u>44,041</u>	<u>22,751</u>	<u>(23,751)</u>	<u>(43,041)</u>	<u>-</u>

Donations from friends are funds to spend on encouraging interest in the story of "The Soldiers of Cheshire" and to support the museum's aims. As such we have transferred out the brought forward restricted funds balance as this is actually a museum charitable activity and the funds are not classed as restricted.

Grants are in relation to Army Museums Ogilby Trust (AMOT) grants received during the year for specific projects within the Cheshire Military Museum. In addition, other grants for restarting the educational service and reengaging school's project. All funds for these projects had been spent by the year end and as such a transfer of funds from restricted to unrestricted was made as the costs associated with these projects had been classified as unrestricted in the prior year.

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:					
Tangible assets	154,334	-	154,334	155,628	155,628
Current assets/(liabilities)	194,149	39,814	233,963	201,154	245,195
	<u>348,483</u>	<u>39,814</u>	<u>388,297</u>	<u>44,041</u>	<u>400,823</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

THE CHESHIRE MILITARY MUSEUM

England & Wales - Charity number 272108

Accounts

Charity registration number 272108

THE CHESHIRE MILITARY MUSEUM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE CHESHIRE MILITARY MUSEUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Colonel M W Forgrave OBE QGM
Colonel A W A Spiegelberg MBE TD DL
Colonel H W Williams
Major M E Hockedy
Major M G Huntriss
Mr J B Etherington

Charity number

272108

Principal address

Regimental Headquarters
The Mercian Regiment
The Castle
Chester
Cheshire
CH1 2DN

Independent examiner

McIntocks (NW) Limited
2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9PX

Bankers

Barclays Bank PLC
30 St Weburgh Street
Chester
Cheshire
CH1 2DY

THE CHESHIRE MILITARY MUSEUM

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Statement of financial activities	4
Balance sheet	5
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THE CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity'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).

Objectives and activities

The charity's objects are to promote the efficiency of the Regiments; and to advance the education of the public in the history of the regiments and former regiments and any other military unit, regiment or service with past or present connections to the County of Cheshire; by the provision and maintenance of the regimental collection.

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

Achievements and performance

Charitable activities

The museum reopened to the public during June 2021 as the pandemic eased. Opening hours were restricted to four days per week and there was an initial reluctance for volunteers to return to the site. As summer progressed the museum hosted a temporary exhibit celebrating Military Dentistry, followed by a Remembrance exhibit and then The War Horse exhibit. More delays to roof works were experienced and works are not expected to start until 2023 but development of the Museum Education Suite moved apace and areas were repurposed and redecorated and a grant of £4k was received to purchase equipment to assist in the delivery of an education programme. The Trustees initiated a successful campaign to recruit more trustees to the board. Visitor numbers grew during the end of the reporting period and shop trade increased.

Financial review

Financial position

The charity had income for the year of £74,168 and expenditure of £68,924. As a result there was an annual surplus of £5,244 (2021 - deficit £9,806). The balance sheet shows fixed assets of £155,628 and net current assets of £245,195 giving total net assets of £400,823.

At 31 March 2022 restricted funds were £44,041 and unrestricted funds £356,782.

Reserves policy

It is the policy of the charity 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 considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity'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.

Investment policy and objectives

The trustees have the power to make investments as they see fit.

Risk management

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

Plans for the operating period 2022/23 include refurbishment of the building including a programme re-carpeting, re-decoration, roof and parapet works and works to repair and weatherproof the garage and workshop. Volunteers have begun to return so more temporary exhibits are planned over the coming year including one for the Cadet Forces. The museum will remain at reduced hours for the foreseeable future although work continues behind closed doors. A Royal visit is planned during the period and that will hopefully raise the profile of the museum. A revamp of the museum website is also on the cards and a number of valuable artefacts on loan to the Mercian Regiment are to be returned to the museum. The trustees will also undertake further work to secure the future of the museum and the necessary funding streams.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

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

Colonel M W Forgrave OBE QGM
Colonel A W A Spiegelberg MBE TD DL
Colonel H W Williams
Major M E Hockedy
Major M G Huntress
Mr J B Etherington

Recruitment and appointment of trustees

Trustees are either nominated by the Mercian Regiment or recruited by the board of trustees. They receive training as appropriate.

The trustees' report was approved by the Board of Trustees.



Colonel M W Forgrave OBE QGM

Trustee

Dated: 17 November 2022

THE CHESHIRE MILITARY MUSEUM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE CHESHIRE MILITARY MUSEUM

I report to the trustees on my examination of the financial statements of The Cheshire Military Museum (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Michael Caputo FCA
McLintocks (NW) Limited
2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9PX

Dated: 17 November 2022

THE CHESHIRE MILITARY MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Unrestricted funds 2022	Restricted funds 2022	Total Unrestricted funds 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	£	£	£	£	£	£
Income from:						
Donations and legacies	4,832	37,209	42,041	3,514	22,572	26,086
Charitable activities	12,675	2,235	14,910	1,158	2,235	3,393
Other trading activities	17,191	-	17,191	5,584	-	5,584
Investments	20	6	26	171	22	193
Total income	34,718	39,450	74,168	10,427	24,829	35,256
Expenditure on:						
Raising funds	11,291	-	11,291	1,895	-	1,895
Charitable activities	33,046	24,587	57,633	20,445	22,722	43,167
Total expenditure	44,337	24,587	68,924	22,340	22,722	45,062
Net (expenditure)/income for the year/						
Net movement in funds	(9,619)	14,863	5,244	(11,913)	2,107	(9,806)
Fund balances at 1 April 2021	366,401	29,178	395,579	378,314	27,071	405,385
Fund balances at 31 March 2022	356,782	44,041	400,823	366,401	29,178	395,579

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

All income and expenditure derive from continuing activities.

THE CHESHIRE MILITARY MUSEUM

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	12	155,628	156,922
Current assets			
Stocks	13	9,370	7,736
Debtors	14	6,955	-
Cash at bank and in hand		232,117	231,756
		<u>248,442</u>	<u>239,492</u>
Creditors: amounts falling due within one year	15	<u>(3,247)</u>	<u>(835)</u>
Net current assets		245,195	238,657
Total assets less current liabilities		<u>400,823</u>	<u>395,579</u>
Income funds			
Restricted funds	16	44,041	29,178
Unrestricted funds		356,782	366,401
		<u>400,823</u>	<u>395,579</u>

The financial statements were approved by the Trustees on 17 November 2022



Colonel M W Forgrave OBE QGM
Trustee

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The Cheshire Military Museum is an unincorporated charity. The principle address is Regimental Headquarters, The Mercian Regiment, The Castle, Chester, Cheshire, CH1 2DN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity'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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have a reasonable expectation that the charity 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.

1.4 Income

Income is recognised when the charity 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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity 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.

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

1 Accounting policies

(Continued)

1.5 Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

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:

Appeal property improvements	in accordance with the property
Computers	25% on cost

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

1.7 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.

1.8 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.

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 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 charity's contractual obligations expire or are discharged or cancelled.

1.10 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity'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 CHESHIRE MILITARY MUSEUM

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Donations	3,828	200	4,028	3,664
Gift aid	1,004	1,024	2,028	-
Grants	-	35,985	35,985	22,422
	<u>4,832</u>	<u>37,209</u>	<u>42,041</u>	<u>26,086</u>
For the year ended 31 March 2021	<u>3,514</u>	<u>22,572</u>		<u>26,086</u>

4 Charitable activities

	Military Museum 2022	Military Museum 2021
	£	£
Education/school visits	570	67
Research	1,929	330
Subscriptions - Friends	2,235	2,235
Admissions	10,176	761
	<u>14,910</u>	<u>3,393</u>
Analysis by fund		
Unrestricted funds	12,675	1,158
Restricted funds	2,235	2,235
	<u>14,910</u>	<u>3,393</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Shop income	<u>17,191</u>	<u>5,584</u>

THE CHESHIRE MILITARY MUSEUM

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

6 Investments

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Bank interest	19	6	25	153
NSB interest	1	-	1	40
	20	6	26	193
For the year ended 31 March 2021	171	22		193

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Trading costs</u>	11,291	1,895
<u>Merchandise</u>	11,291	1,895

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Charitable activities	Military Museum	
	2022	2021
	£	£
Staff costs	36,988	32,142
Depreciation and impairment	1,294	1,294
Marketing	2,000	-
Friends - office costs	281	300
Display and exhibition	2,020	636
Insurance	3,052	2,613
Conservation	685	-
	<u>46,320</u>	<u>36,985</u>

Share of support costs (see note 9)
Share of governance costs (see note 9)

	9,905	5,396
	1,408	786
	<u>57,633</u>	<u>43,167</u>
Analysis by fund		
Unrestricted funds	33,046	20,445
Restricted funds	24,587	22,722
	<u>57,633</u>	<u>43,167</u>

9 Support costs	Support costs		Governance costs	
	2022	2021	2022	2021
	£	£	£	£
Postage and stationery	1,297	1,096	-	-
Marketing	602	688	-	-
Office expenses	1,216	970	-	-
Sundries	72	584	-	-
Training and education	5,557	1,264	-	-
Card save costs	825	509	-	-
Subscriptions	270	257	-	-
Community relations	66	28	-	-
Independent examiners fees	-	786	780	-
Trustees' expenses	-	-	628	-
	<u>9,905</u>	<u>6,182</u>	<u>1,408</u>	<u>11,313</u>

Analysed between	9,905	11,313
Charitable activities	1,408	6,182

THE CHESHIRE MILITARY MUSEUM

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

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. Trustees expenses totalled £628 (2021: £nil).

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Employment costs	3	3
Wages and salaries	36,988	32,142

The key management personnel of the Charity comprise the Trustees. The total employee benefits of the key management personnel of the Museum were £nil (2021: £nil).

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

12 Tangible fixed assets

Cost	Appeal property improvements	Computers	Total
At 1 April 2021	487,867	1	487,868
At 31 March 2022	487,867	1	487,868
Depreciation and impairment			
At 1 April 2021	330,946	-	330,946
Depreciation charged in the year	1,294	-	1,294
At 31 March 2022	332,240	-	332,240
Carrying amount			
At 31 March 2022	155,627	1	155,628
At 31 March 2021	156,921	1	156,922

All fixed assets are used for charitable purposes.

THE CHESHIRE MILITARY MUSEUM

England & Wales - Charity number 272108

Accounts

THE CHESHIRE MILITARY MUSEUM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE CHESHIRE MILITARY MUSEUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Colonel M W Forgrave OBE QGM Colonel A W A Spiegelberg MBE TD DL Colonel H W Williams Major M E Hockedy Major M G Huntriss Mr J B Etherington
Charity number	272108
Principal address	Regimental Headquarters The Mercian Regiment The Castle Chester Cheshire CH1 2DN
Independent examiner	McLintocks (NW) Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9PX
Bankers	Barclays Bank PLC 30 St Weburgh Street Chester Cheshire CH1 2DY

THE CHESHIRE MILITARY MUSEUM

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Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 15

THE CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report and financial statements for the year ended 31 March 2021.

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 charity'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).

Objectives and activities

The charity's objects are to promote the efficiency of the Regiments; and to advance the education of the public in the history of the regiments and former regiments and any other military unit, regiment or service with past or present connections to the County of Cheshire; by the provision and maintenance of the regimental collection.

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

Achievements and performance

Charitable activities

Unfortunately the museum was closed on 18 March 2020 due a Government national lockdown in response to the Covid 19 pandemic and remained closed for most of the financial period. The museum opened briefly between Covid lockdowns but saw very few visitors and despite the availability of an internet shopping facility, shop sales were also reduced significantly. There were no temporary exhibits mounted during 2020/21. The fund performance was disappointing and very little was achieved during the financial period due to circumstances beyond our and others control.

Financial review

Financial position

The charity had income for the year of £35,256 and expenditure of £45,062. As a result there was an annual deficit of £9,806 (2020 - surplus £19,304). The balance sheet shows fixed assets of £156,922 and net current assets of £238,657 giving total net assets of £395,579.

At 31 March 2021 restricted funds were £29,178 and unrestricted funds £366,401.

Reserves policy

It is the policy of the charity 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 considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity'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.

Investment policy and objectives

The trustees have the power to make investments as they see fit.

Risk management

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

Plans for the operating year 2021/22 are tentative given the impact of Coronavirus but a programme of refurbishment to various aspects of the building remain, including work to the building roof that is now scheduled for 2022/23. The museum returned to partial re-opening in June 2021 and has been operating within Government guidelines and the 'recovery roadmap'. Museum volunteers will be encouraged to return to support the work of the museum and our first temporary exhibit, Military Dentistry, should be open in September 2021. The future for many small businesses remain precarious in these uncertain times but we are confident that the museum will recover during the latter part of 2021 and into 2022/23.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

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

Colonel M W Forgrave OBE QGM

Colonel A W A Spiegelberg MBE TD DL

Professor T J Wheeler DL

(Retired 31 December 2020)

Colonel H W Williams

Major M E Hockedy

Major M G Huntriss

Mr J B Etherington

Recruitment and appointment of trustees

Trustees are either nominated by the Mercian Regiment or recruited by the board of trustees. They receive training as appropriate.

The trustees' report was approved by the Board of Trustees.



Colonel M W Forgrave OBE QGM

Trustee

Dated: 19 November 2021

THE CHESHIRE MILITARY MUSEUM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE CHESHIRE MILITARY MUSEUM

I report to the trustees on my examination of the financial statements of The Cheshire Military Museum (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Michael Caputo FCA
McLintocks (NW) Limited
2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9PX

Dated: 19 November 2021

THE CHESHIRE MILITARY MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
Income from:						
Donations and legacies	3	3,514	22,572	26,086	7,658	38,238
Charitable activities	4	1,158	2,235	3,393	24,881	27,611
Other trading activities	5	5,584	-	5,584	21,960	21,960
Investments	6	171	22	193	411	443
Total income		10,427	24,829	35,256	54,910	88,252
Expenditure on:						
Raising funds	7	1,895	-	1,895	12,030	12,030
Charitable activities	8	20,445	22,722	43,167	27,028	56,918
Total resources expended		22,340	22,722	45,062	39,058	68,948
Gross transfers between funds		-	-	-	1,310	(1,310)
Net (expenditure)/income for the year/						
Net movement in funds		(11,913)	2,107	(9,806)	17,162	19,304
Fund balances at 1 April 2020		378,314	27,071	405,385	361,152	386,081
Fund balances at 31 March 2021		366,401	29,178	395,579	378,314	405,385

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

All income and expenditure derive from continuing activities.

THE CHESHIRE MILITARY MUSEUM

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		156,922		158,216
Current assets					
Stocks	13	7,736		8,250	
Cash at bank and in hand		231,756		239,754	
		<u>239,492</u>		<u>248,004</u>	
Creditors: amounts falling due within one year	14	(835)		(835)	
Net current assets			238,657		247,169
Total assets less current liabilities			<u>395,579</u>		<u>405,385</u>
Income funds					
Restricted funds	15		29,178		27,071
Unrestricted funds			366,401		378,314
			<u>395,579</u>		<u>405,385</u>

The financial statements were approved by the Trustees on 19 November 2021



Colonel M W Forgrave OBE QGM
Trustee

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The Cheshire Military Museum is an unincorporated charity. The principle address is Regimental Headquarters, The Mercian Regiment, The Castle, Chester, Cheshire, CH1 2DN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity'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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Despite the fall in income caused by the Covid-19 pandemic, the trustees have a reasonable expectation that the charity 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.

1.4 Income

Income is recognised when the charity 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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity 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.

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

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:

Appeal property improvements	in accordance with the property
Computers	25% on cost

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

1.7 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.

1.8 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.

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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 charity's contractual obligations expire or are discharged or cancelled.

1.9 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity'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	Total
	2021 £	2021 £	2021 £	2020 £
Donations	3,514	150	3,664	7,658
Grants	-	22,422	22,422	30,580
	<u>3,514</u>	<u>22,572</u>	<u>26,086</u>	<u>38,238</u>
For the year ended 31 March 2020	<u>7,658</u>	<u>30,580</u>		<u>38,238</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	Military Museum 2021 £	Military Museum 2020 £
Education/school visits	67	1,683
Research	330	1,526
Subscriptions - Friends	2,235	2,730
Admissions	761	21,672
	<u>3,393</u>	<u>27,611</u>
Analysis by fund		
Unrestricted funds	1,158	24,881
Restricted funds	2,235	2,730
	<u>3,393</u>	<u>27,611</u>
For the year ended 31 March 2020		
Unrestricted funds	24,881	
Restricted funds	2,730	
	<u>27,611</u>	

5 Other trading activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Shop income	<u>5,584</u>	<u>21,960</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Investments

	Unrestricted funds	Restricted funds	Total	Total
	2021 £	2021 £	2021 £	2020 £
Bank interest	131	22	153	367
NSB interest	40	-	40	76
	<u>171</u>	<u>22</u>	<u>193</u>	<u>443</u>
For the year ended 31 March 2020	<u>411</u>	<u>32</u>		<u>443</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
<u>Trading costs</u>		
Merchandise	1,895	12,030
	<u>1,895</u>	<u>12,030</u>

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Charitable activities

	Military Museum 2021 £	Charitable Expenditure Headings 2021 £	Total 2021 £	Military Museum 2020 £
Staff costs	9,720	22,422	32,142	33,942
Depreciation	1,294	-	1,294	1,294
Volunteers allowance	-	-	-	1,317
Friends - office costs	300	-	300	170
Display and exhibition	636	-	636	8,742
Insurance	2,613	-	2,613	2,440
Training	-	-	-	945
	<u>14,563</u>	<u>22,422</u>	<u>36,985</u>	<u>48,850</u>
Share of support costs (see note 9)	5,396	-	5,396	7,074
Share of governance costs (see note 9)	786	-	786	994
	<u>20,745</u>	<u>22,422</u>	<u>43,167</u>	<u>56,918</u>
Analysis by fund				
Unrestricted funds	20,445	-	20,445	27,028
Restricted funds	300	22,422	22,722	29,890
	<u>20,745</u>	<u>22,422</u>	<u>43,167</u>	<u>56,918</u>
For the year ended 31 March 2020				
Unrestricted funds	27,028	-		
Restricted funds	29,890	-		
	<u>56,918</u>	<u>-</u>		

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Postage and stationery	1,096	-	1,096	2,031
Advertising	688	-	688	2,376
Office expenses	970	-	970	780
Sundries	584	-	584	499
Training and education	1,264	-	1,264	80
Card save costs	509	-	509	621
Subscriptions	257	-	257	255
Community relations	28	-	28	314
Conferences and meetings	-	-	-	118
Independent examiners fees	-	786	786	750
Trustees' expenses	-	-	-	244
	<u>5,396</u>	<u>786</u>	<u>6,182</u>	<u>8,068</u>
Analysed between				
Charitable activities	<u>5,396</u>	<u>786</u>	<u>6,182</u>	<u>8,068</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. Trustees expenses totalled £- (2020: £244).

11 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
	3	3
	<u>3</u>	<u>3</u>
Employment costs	2021	2020
	£	£
Wages and salaries	32,142	33,942
	<u>32,142</u>	<u>33,942</u>

The key management personnel of the Charity comprise the Trustees. The total employee benefits of the key management personnel of the Museum were £nil (2020: £nil).

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

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

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Tangible fixed assets

	Appeal property improvements £	Computers £	Total £
Cost			
At 1 April 2020	487,867	1	487,868
At 31 March 2021	487,867	1	487,868
Depreciation and impairment			
At 1 April 2020	329,652	-	329,652
Depreciation charged in the year	1,294	-	1,294
At 31 March 2021	330,946	-	330,946
Carrying amount			
At 31 March 2021	156,921	1	156,922
At 31 March 2020	158,215	1	158,216

All fixed assets are used for charitable purposes. Heritage assets are excluded for accounting purposes.

13 Stocks

	2021 £	2020 £
Stock	7,736	8,250

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	835	835

THE CHESHIRE MILITARY MUSEUM
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

15 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 April 2019 £	Movement in funds		Transfers £	Balance at 1 April 2020 £	Movement in funds		Balance at 31 March 2021 £
		Income £	Expenditure £			Income £	Expenditure £	
Donations from friends	24,929	3,622	(170)	(1,310)	27,071	2,257	300	29,178

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	156,922	-	156,922	158,216	-	158,216
Current assets/ (liabilities)	209,479	29,178	238,657	220,098	27,071	247,169
	<u>366,401</u>	<u>29,178</u>	<u>395,579</u>	<u>378,314</u>	<u>27,071</u>	<u>405,385</u>

17 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).