

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Registered Charity No. 278939

**Azets Audit Services
River House
Maidstone Road
Sidcup
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DA14 5RH**

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

CONTENTS

	Page
Reference and Administrative Details	1
Report of the Trustees	2
Independent Examiner’s Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Mr Timothy Cooke OBE (Chairman) The Honourable David McAlpine Mr Edward C A Martineau Major General Sir Sebastian Roberts KCVO OBE - deceased Mr Michael J B Watson Mr James A Glover Wilson
Charity Registration Number	278939
Principal Office	National Army Museum Chelsea London SW3 4HT
Banker	Coutts & Co St Martin's Office 440 Strand London WC2R 0QS
Independent Examiner	M A Wilkes FCA Azets Audit Services River House 1 Maidstone Road Sidcup Kent DA14 5RH
Investment Manager	Rathbone Investment Management 8 Finsbury Circus London EC2M 7AZ Schroders Unit Trusts Limited PO Box 1102 Chelmsford SM99 2XX

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

REPORT OF THE TRUSTEES

The Trustees present their report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2021 and UK Generally Accepted Accounting Practice.

Objectives and activities

In accordance with the Trust Deed the Trustees ordinarily make grants to further the work of the National Army Museum in such manner as the Trustees shall in their absolute discretion think fit, but may also or instead make grants from time to time for such other charitable purposes (preferably having a connection with the British Army) as the Trustees shall in their absolute discretion think fit.

Financial Review

The Development Trust received income of £29,400 (2022 : £27,854) during the year. Expenditure totalled £15,540 (2022 : £13,306) resulting in a surplus before unrealised gains and losses on investments of £13,860 (2022 : surplus £14,548). The net movement in funds after unrealised gains and losses was a surplus of £54,792 (2022 : deficit £5,886).

During 2023 the Trustees committed to donate £10,000 to the Post-Doctoral Research Fellowships sponsored by the Museum and £2,800 for the Templer Awards awarded by the Society for Army Historical Research (2022 : £10,500 Post-Doctoral Research Fellowships sponsored by the Museum and Templer Awards).

The net assets at 31 December 2023 are £627,247 (2022 : £572,455) of which £587,855 is invested in marketable securities (2022 : £543,190).

Reserves Policy

The Trustees aim to hold free reserves, excluding those included in investments, at a level which will provide sufficient funds to respond to applications for grants and to cover administration costs. The actual level of free reserves, excluding investments at 31st December 2023 was £39,392 (2022 : £29,265).

Investments totalling £587,855 (2022 : £543,190) are held to generate investment income and to increase the capital of the Trust.

The Trustees will review the policy on an annual basis.

Investment Policy

The Trust Deed authorises the Trustees to make and hold investments, using the general funds of the charity.

The Trustees' investment policy is to invest in relatively low risk equity based managed funds to achieve growth and income.

The Trust intends to maximise by prudent investment its funds, in so far as they are not required for the short term purposes of the Trust, with the intention that the Trust will have such an income available to enable Trustees to undertake projects consistent with the terms of the Trust Deed.

Future Plans

The Trustees continue to rebuild the asset base of the Trust after recent major disbursements. At the same time, they are keen for the Trust to engage actively with the Museum's plans through active sponsorship of research fellows Post-Doctoral. The Trustees are also glad to support the Museum's relationship with the Society for Army Historical Research by funding half the annual Templer awards for new publications on British military history.

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

REPORT OF THE TRUSTEES

Going Concern

In approving these financial statements, the trustees have considered the level of funds held by the Trust and the expected level of income and expenditure for the next twelve months. The reserves are more than sufficient for the charity to be able to continue as a going concern.

Structure, governance and management

The Charity is an unincorporated entity, governed by a Deed of Trust dated 29 September 1979 and a set of Rules (revised 14 April 2011). It is a registered charity, number 278939.

Trustees

The following Trustees have served during the period to date:

Mr Timothy Cooke OBE	Chairman
The Honourable David McAlpine	
Mr Edward C A Martineau	
Major General Sir Sebastian Roberts KCVO OBE	Deceased
Mr Michael J B Watson	
Mr James A Glover Wilson	

The Trustees were saddened by the death of Major General Roberts in March 2023. Sir Sebastian had served as a Trustee for several years and his perspicacity judgement and humour added much to the discussions.

Trustees were originally appointed by Deed, but latterly have been appointed by minuted decision of the Trustees at their meetings. Any person, including a Member of the Council of the National Army Museum, may be appointed as a Trustee.

The Trustees shall not be fewer than five or more than ten in number.

The Trustees appoint a Chairman for a term of three years and thereafter to the next general meeting of the Trustees.

The Trustees meet one to two times a year.

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Deed of Trust dated 29 September 1979. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

This report was approved by the Trustees on 18 August 2024 and signed on their behalf:

Mr Timothy Cooke OBE
Chairman - Trustee

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE NATIONAL ARMY MUSEUM DEVELOPMENT FUND

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2023 which are set out on pages 5 to 9.

Respective responsibilities of Trustees and examiner

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

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

M A Wilkes FCA
Azets Audit Services
River House
1 Maidstone Road
Sidcup
Kent
DA14 5RH

16 September 2024

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds	
	Notes	2023	2022
		£	£
INCOME			
Voluntary income		200	400
Investment income	3	29,200	27,454
Total income		<u>29,400</u>	<u>27,854</u>
EXPENDITURE			
Charitable donations	4	12,800	10,500
Accountancy charges		1,812	2,178
Bank charges		522	406
Investment manager charges		211	222
Other costs		195	-
Total expenditure		<u>15,540</u>	<u>13,306</u>
Net (expenditure)/income and movement on investments funds before gains on investments		13,860	14,548
Gains/(Losses) on investments	5	40,932	(20,434)
NET MOVEMENT IN FUNDS		<u>54,792</u>	<u>(5,886)</u>
Funds at 1 January 2023		<u>572,455</u>	<u>578,341</u>
FUNDS AT 31 DECEMBER 2023		<u><u>627,247</u></u>	<u><u>572,455</u></u>

All transactions in 2023 and 2022 were derived from unrestricted funds.

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Note	2023	2022
		£	£
FIXED ASSETS			
Investments	5	587,855	543,190
CURRENT ASSETS			
Debtors – accrued income		9,280	5,397
Bank deposit – Coutts Finance Company		47,677	26,586
		<u>56,957</u>	<u>31,983</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Accruals		<u>(17,565)</u>	<u>(2,718)</u>
NET CURRENT ASSETS		<u>39,392</u>	<u>29,265</u>
NET ASSETS		<u><u>627,247</u></u>	<u><u>572,455</u></u>
REPRESENTED BY:			
Unrestricted funds		<u>627,247</u>	<u>572,455</u>
		<u><u>627,247</u></u>	<u><u>572,455</u></u>

Approved by the Board of Trustees on and signed on its behalf on 18 August 2024 by:

Mr Timothy Cooke OBE
Trustee

Mr Edward C A Martineau
Trustee

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The National Army Museum Development Trust is a Trust in the United Kingdom. The address of the principal office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

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

1.2 Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

1.3 Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

1.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1.5 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit with a maturity of less than one year.

1.6 Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from approving these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.7 Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No judgements or key assumptions were made in the preparation of the accounts.

2. STAFF COSTS AND TRUSTEE' REMUNERATION

No staff are directly employed by the charity.

None of the Trustees received any remuneration or reimbursed expenses during the year.

3. INVESTMENT INCOME

	2023 £	2022 £
Income from investments	28,585	27,373
Interest on bank and cash deposits	615	81
	<u>29,200</u>	<u>27,454</u>

THE NATIONAL ARMY MUSEUM DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

4. DONATIONS PAYABLE

	2023 £	2022 £
National Army Museum	10,000	10,000
Templer Awards (Society of Army Historical Research)	2,800	500
	<u>12,800</u>	<u>10,500</u>

5. INVESTMENTS

	2023 £	2022 £
Market value at 1 January 2023	543,190	560,444
Additions	3,944	3,402
Disposals	(211)	(222)
Unrealised gains/(losses)	40,932	(20,434)
Market value at 31 December 2023	<u>587,855</u>	<u>543,190</u>
Historic cost	<u>220,430</u>	<u>220,588</u>

The investments are carried at their fair value which is determined by the reference to the mid-market value.

The following investments are included in the investment portfolio:

	2023 £	2022 £
Schroder Charity Equity Fund A	478,552	437,636
Rathbone Unit Trust Management	94,151	94,346
Cash	<u>15,152</u>	<u>11,208</u>