

The Duke of Lancaster's Regiment Lancashire Infantry Museum

Report and Accounts

for the year ended 31st December 2015

The Duke of Lancaster's Regiment Lancashire Infantry Museum

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The Duke of Lancaster's Regiment Lancashire Infantry Museum

Administrative Trustees' Report

The Trustees present their annual report and financial statements of the charity for the year ended 31st December 2015.

The financial statements have been prepared in accordance with the accounting policies set out on page 7 to the accounts and comply with the charity's trust deed, 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 for Smaller Entities published on 16 July 2014.

Reference and Administrative Details of the Charity, its Trustees and Advisers

The charity is governed by the terms of a Declaration of Trust dated 8th June 1978, is registered with the Charity Commission under the number 276150 and is operated by the Administrative Trustees.

The charity previously had accounts filed and was registered as The Queen's Lancashire Regiment Museum Trust.

The Trustees who have served during the year and since the year end are listed below. The Trustees are appointed by the board of Trustees.

Address Regimental Headquarters
The Duke of Lancaster's Regiment
Fulwood Barracks
Preston
PR2 8AA

Administrative Trustees The trustees of the Charity are:-

Lieutenant Colonel E J Downham MBE BA DL	Lieutenant Colonel J G Lighten MBE BA PGCE
Colonel R W Brooks TD	Major G R Wright
Colonel S Davies MBE	Major J A Harker MBE
Colonel G B Stam TD BSc	Dr S B Bull PhD PGCM DMS MBA MIFA
Colonel M J Glover TD MA AMA	R I Goodwin Esq
Colonel M P Kenyon OBE	R Turp Esq
Lieutenant Colonel J Hacking	P Kenyon Esq
Lieutenant Colonel J Garratt TD	D Rogan Esq

Independent

Examiner Norman A Thomas FCA
Accountants Turner and Brown Limited
Chartered Accountants
105 Garstang Road
Preston
PR1 1LD

Structure, Governance and Management

The charity is governed by a trust deed and is operated by the Administrative Trustees incorporated as a body. Its property is held by the Trustees on behalf of the charity and they are subject to covenants set out in the Declaration of Trust dated 8th June 1978.

The Trustees also act as the council of the charity as defined in the said deed.

The Trustees meet six-monthly.

Objectives and activities of the Charity for the public benefit

The objects of the charity are to educate the public and members of the Regiment in the history and military accomplishments of the Regiment and to promote military efficiency and encourage recruitment by public exhibition of the collection in a museum or museums or such other public places as the Trustees may from time to time decide, and to conserve, restore, repair, reconstruct and preserve objects in the collection.

The Duke of Lancaster's Regiment Lancashire Infantry Museum

Administrative Trustees' Report

(continued)

Reserves policy

The trustees aim to maintain sufficient free reserves in unrestricted funds to respond to applications for grants and ensure that support and governance costs are covered.

The balance held as unrestricted funds at 31 December 2015 was £32,154, of which £31,317 are regarded as free reserves, after allowing for funds tied up in tangible fixed assets.

Achievements, Performance and Financial Review

When planning the activities for the year, the trustees have considered the Commission's guidance on public benefit.

Following re-display of our principal gallery in 2014, the past year has generally been one of consolidation, with additional material being added to interactive computers and to the website.

Otherwise, the main curatorial activity has been the move of our collection, of over three thousand medals to a temporary display area, where they are being cleaned and researched pending permanent re-display once funds are available.

The museum has continued to receive donations of objects and archive material, and has, unusually, purchased an iconic regimental medal group following an appeal to supporters.

Two regimental First World War histories were reprinted in the course of the year as part of an ongoing programme of making our heritage more widely available.

Footfall continued buoyant at over 18,000 for the year, following a number of publicity initiatives, and website 'hits' totalled 257,804.

The charity's main regular source of income in 2015 has continued to be a grant from the Regimental Charity of The Duke of Lancaster's Regiment but, as this will shortly cease, considerable effort has been put into replacing it with additional museum-generated income, with annual giving, sponsorship and bequests, the first fruits of which will appear in 2016. The Friends of the Museum have continued their generous financial support, and grants received from Lancashire County Council, the Army Museums Ogilby Trust, and, although not passed through the account, the Ministry of Defence.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each 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 the 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 judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Duke of Lancaster's Regiment Lancashire Infantry Museum

Administrative Trustees' Report

(continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and 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 and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Administrative Trustees and signed on their behalf by

Lieutenant Colonel E J Downham MBE BA DL

Date:

Independent Examiner's Report
to the Administrative Trustees of The Duke of Lancaster's Regiment Lancashire Infantry Museum

I report on the accounts of the charity for the year ended 31st December 2015, which are set out on pages 5 to 9.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Norman A Thomas FCA
Turner and Brown Limited
Chartered Accountants
105 Garstang Road
Preston
PR1 1LD

Date

The Duke of Lancaster's Regiment Lancashire Infantry Museum

Statement of Financial Activities
for the year ended 31st December 2015

	<u>Notes</u>	Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
		£	£	£	£
<u>Incoming Resources</u>	3				
Incoming resources from generated funds					
Voluntary income		25,993	-	25,993	71,960
Investment income		88	-	88	31
Incoming resources from charitable activities		11,825	-	11,825	68,715
<u>Total Incoming Resources</u>		<u>37,906</u>	<u>-</u>	<u>37,906</u>	<u>140,706</u>
<u>Resources Expended</u>	4				
Costs of generating funds					
Charitable activities		35,020	78	35,098	176,544
<u>Total Resources Expended</u>		<u>35,020</u>	<u>78</u>	<u>35,098</u>	<u>176,544</u>
<u>Net Incoming/(Outgoing) Resources for the Year and Net Movement in Funds</u>		2,886	(78)	2,808	(35,838)
Balances brought forward at 1st January 2015		29,268	78	29,346	65,184
<u>Balances carried forward at 31st December 2015</u>		<u>32,154</u>	<u>-</u>	<u>32,154</u>	<u>29,346</u>

The notes on pages 7 to 9 form part of these accounts.

The Duke of Lancaster's Regiment Lancashire Infantry Museum

Balance Sheet
at 31st December 2015

	Notes	2015 £	2014 £
<u>Tangible Fixed Assets</u>	2	837	314
<u>Current Assets</u>			
Shop Stock		1,495	1,282
Cash at Bank and in Hand		30,842	19,270
Debtors	6	-	9,500
		<hr/>	<hr/>
<u>Total Current Assets</u>		32,337	30,052
<u>Current Liabilities</u>			
Accruals	7	1,020	1,020
		<hr/>	<hr/>
<u>Total Assets less Current Liabilities</u>		<u>32,154</u>	<u>29,346</u>
Represented by:			
<u>Capital Funds</u>			
Unrestricted		32,154	29,268
Restricted		-	78
		<hr/>	<hr/>
<u>Total Funds</u>		<u>32,154</u>	<u>29,346</u>

Approved by the Administrative
Trustees and signed on their behalf by

Lieutenant Colonel E J Downham MBE BA DL

Date

The notes on pages 7 to 9 form part of these accounts.

The Duke of Lancaster's Regiment Lancashire Infantry Museum
Notes to the Accounts

1 Accounting Policies

Accounting Convention

The accounts (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 for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (the FRSSE), and the Charities Act 2011 and applicable regulations.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to those accounts.

Incoming Resources

Voluntary Income is accounted for on receipt, except where it's deemed that a constructive obligation is in place, in which case they are accounted for on an accruals basis. Incoming resources from Charitable Activities comprise income from shop sales, research charges, group visits, archive income and special projects and are accounted for on becoming receivable.

Investment Income comprises income from the charity's Bank Accounts and is accounted for on receipt. The method of allocating Incoming Resources is shown in the Notes to the Accounts.

Resources Expended

Expenditure is included on an accruals basis. Costs of Charitable Activities and Governance comprise the cost of shop sales and costs in connection with fulfilling the objects of the charity, and satisfying its regulatory requirements respectively. The method of allocating Resources Expended is shown in the Notes to the Accounts.

Stock

Stock is valued at the lower of cost and net realisable value on a first in first out basis.

Tangible Fixed Assets and Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Shop Fittings	10% on cost	Computer Equipment	33% on cost
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Heritage Assets

The charity holds and maintains the contents of the Regimental Collection of The Duke of Lancaster's Regiment and its predecessors and there is a strong presumption against disposals. This collection is considerable and is made up of historical artefacts and other regimental military memorabilia and regalia, which has been added to the collection over time. Much, but not all, of the regimental collection, is held on public display. The vast majority of the collection has been donated over a considerable period of time. There have been no additions to or disposals from the collection during the year. No value of these assets is included in the charity's balance sheet because reliable cost information is not available and, in the view of the Trustees, the significant costs of valuing such a unique collection outweigh the benefits to users of assessing the Trustees' stewardship of the assets, bearing in mind the charity's principal object.

2 Tangible Fixed Assets

Cost	£	Net Book Value	£
1st January 2015	6,579		
Additions	894		
at 31st December 2015	<u>7,473</u>		
Depreciation			
1st January 2015	6,265		
Charge for the year	371		
at 31st December 2015	<u>6,636</u>		
Net Book Value			
at 31st December 2015	<u>837</u>		
Net Book Value			
1st January 2015	<u>314</u>		
		MacBook Pro Laptop	572
		HP Wi-Fi Printer	24
		Fujitsu Laptop	-
		Pop-up displays	81
		Garment Rails	160
		2 Seagate Hard Drives	-
			<u>837</u>

The Duke of Lancaster's Regiment Lancashire Infantry Museum
Notes to the Accounts

Income and Expenditure Account
for the year ended 31st December 2015

	Unrestricted Funds £	Restricted Funds £	2015 £	2014 £
3 <u>Analysis of Incoming Resources</u>				
<u>Voluntary Income</u>				
Grant Duke of Lancaster's Regimental Charity	15,000	-	15,000	15,000
Various Museum Donations	2,487	-	2,487	52,575
Museum Appeal Donations	1,262	-	1,262	1,000
Gift Aid Receipts	744	-	744	385
Friends of the Regimental Museum Donation	6,500	-	6,500	3,000
	<u>25,993</u>	-	<u>25,993</u>	<u>71,960</u>
 <u>Investment income</u>				
Bank Interest	88	-	88	31
 <u>Incoming resources from charitable activities</u>				
Research Charges	2,064	-	2,064	2,400
Museum Special Projects	8,310	-	8,310	62,500
Group Visits and Events	1,139	-	1,139	1,977
Fellowship Fund	-	-	-	1,722
Shop Sales	312	-	312	116
	<u>11,825</u>	-	<u>11,825</u>	<u>68,715</u>
 <u>Total Incoming Resources</u>	<u>37,906</u>	-	<u>37,906</u>	<u>140,706</u>
 4 <u>Analysis of Resources Expended</u>				
<u>Charitable Expenditure</u>				
<u>Charitable activities</u>				
Conservation	4,990	-	4,990	403
Events	960	-	960	2,170
Marketing	710	-	710	60
Insurance	873	-	873	835
Shop Cost of Sales	375	-	375	295
Gross Salaries (2 employees)	17,051	-	17,051	18,063
Reimbursed Expenses - Travel & Subsistence	897	-	897	3,228
Subscriptions	931	-	931	475
Postage and Stationery	120	-	120	183
Bank Charges	271	-	271	261
Fellowship Fund	-	-	-	511
Special Projects	5,663	78	5,741	147,771
Sundry expenses	788	-	788	1,071
Accountancy and Independent Examination	1,020	-	1,020	1,020
Depreciation	371	-	371	198
<u>Total Resources Expended</u>	<u>35,020</u>	<u>78</u>	<u>35,098</u>	<u>176,544</u>

The Duke of Lancaster's Regiment Lancashire Infantry Museum
Notes to the Accounts

5 Reimbursed Expenses

Expenses reimbursed in the year totalled £897. These expenses were incurred by a mix of individuals. Expenses claimed for travel costs and subsistence were done so by individuals as shown below :

	2015
	£
Trustees	378
Volunteers	519
	<hr/>
	897
	<hr/>

6 Debtors

	2015	2014
	£	£
Museum Special Projects HLF Grant	-	9,500
	<hr/>	<hr/>
	-	9,500
	<hr/>	<hr/>

7 Accruals

Accountancy and Independent Examination Accrual	1,020	1,020
	<hr/>	<hr/>
	1,020	1,020
	<hr/>	<hr/>