

**The Royal Collection Trust**

*(Limited by guarantee)*

**Trustees' Report and Consolidated  
Financial Statements**

**31 March 2025**

**Company Number 2713536**

# Royal Collection Trust

## TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

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# Royal Collection Trust

## TRUSTEES' REPORT 2024/25

The Trustees present their annual report and the audited consolidated financial statements of The Royal Collection Trust ("The Trust") and its trading subsidiary Royal Collection Enterprises Limited (together "Royal Collection Trust", "RCT", or "the Group"), for the year ended 31 March 2025.

### Reference and Administrative Information

Charity Registration Number:	1016972
Scottish Charity Number:	SC039772
Company Number:	2713536
Principal and Registered Office:	York House, St James's Palace, London SW1A 1BQ

#### **Patron**

His Majesty King Charles III

#### **Trustees**

Sir Nicholas Bacon, Bt.

The Hon. Sir James Leigh-Pemberton (*resigned 31 March 2025*)

The Rt. Hon. Sir Clive Alderton

The Rt Hon. The Lord Benyon (*appointed 1 November 2024*)

Mr Marc Bolland

Mr James Chalmers (*appointed 1 January 2025*)

Sir Brian Ivory

Vice Admiral Sir Tony Johnstone-Burt

Dr Anna Keay

Dr Tonya Nelson

The Rt Hon. The Lord Parker of Minsmere (*resigned 31 October 2024*)

Ms Monisha Shah

Sir Michael Stevens (*resigned 31 December 2024*)

#### **Management Board**

Mr Tim Knox

Director of the Royal Collection

Mr Keith Harrison

Director of Finance (*resigned 6 January 2025*)

Mr Neil Curtis

Director of Finance and Corporate Services (*appointed 6 January 2025*)

Mrs Michelle Lockhart

Director of Commercial Operations and Engagement

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Auditor	KPMG LLP 15 Canada Square, London E14 5GL
Bankers	Coutts & Co 440 Strand, London WC2R 0QS
Solicitor	Farrer & Co 66 Lincoln's Inn Fields, London WC2A 3LH

# Royal Collection Trust

## TRUSTEES' REPORT 2024/25

### Structure, Governance and Management

#### Governing Document

The Trust is a company limited by guarantee, incorporated on 29 January 1993 and registered as a charity in England and Wales on 2 February 1993. The Office of the Scottish Charity Regulator approved The Trust's application to be registered as a charity in Scotland on 5 August 2008.

The company was established under a Memorandum of Association which established the objects and powers of The Trust and is governed under its Articles of Association. There are currently four members of The Trust, each of whom is required to contribute an amount not exceeding £1 in the event of it winding up.

#### Appointment of Trustees

Trustees include the holders of Relevant Offices within the Royal Household. The Relevant Officers are The Lord Chamberlain, The Private Secretary to The Sovereign, The Keeper of the Privy Purse and The Master of the Household.

The appointment of a Trustee is approved by The Sovereign prior to appointment by the Board of Trustees. In appointing Trustees other than holders of the Relevant Offices, consideration is given to ensuring that the Board of Trustees has the requisite mix of skills and experience.

All Trustees give their time voluntarily and receive no remuneration for their services to The Trust. Details of any expenses reimbursed by The Trust are set out in note 8 to the financial statements. New Trustees receive an information pack which includes the current strategic plan, minutes of recent Trustee Board meetings and details of organisational structure. In addition, new Trustees undertake an induction programme comprising meetings with senior managers and visits to the official residences and workshops.

#### Organisational Structure

The Board of Trustees, which can have a minimum of five and up to a maximum of twelve Trustees, manages the Charity and meets at least three times a year. During the year, the Board of Trustees had two sub-committees.

The Audit and Risk Assurance Committee has four members: Sir Brian Ivory (Chairman), Sir Michael Stevens (until 31 December 2024), Mr James Chalmers (from 1 January 2025), and Ms Monisha Shah, who are Trustees, and Mr Steve Maslin. The Committee meets and reports formally to the Board at least three times a year. It has overall responsibility for monitoring the effectiveness of The Trust's corporate governance and system of internal control. In undertaking

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### TRUSTEES' REPORT 2024/25

its responsibilities, the Committee receives reports from the internal and external auditors and from management.

The Strategic Development Committee comprises five Trustees and members of the Management Board. This Committee met three times under the Chairmanship of Mr Marc Bolland. Its role is to monitor and oversee the Group's financial position and commercial operations. This includes monitoring The Royal Collection Trust's bank borrowing and cashflow.

The Board of Trustees has delegated the powers set out in The Trust's governing document to the Director and members of the Management Board who manage the day-to-day operations of the Charity. The members of the Management Board are the Director of the Royal Collection, the Director of Finance and Corporate Services, and the Director of Commercial Operations and Engagement.

The Board of Trustees monitors the way in which its delegated powers are exercised by the Management Board through:

- Receipt of regular reports on Royal Collection Trust's activities;
- Review and approval of budgets and strategic plans;
- The work of the Strategic Development Committee;
- Reports from the Chairman of the Audit and Risk Assurance Committee; and
- Review of management accounts and the Annual Report and Financial Statements.

The Director of the Royal Collection is a Head of Department of the Royal Household and is appointed by The Sovereign.

The Management Board is responsible for preparation of strategic plans and annual budgets, and for overseeing the efficient and effective operation of Royal Collection Trust. Together with the Operations Board of senior managers, the Management Board is responsible for the day-to-day monitoring of performance, maintaining adequate systems for internal financial control and risk management, ensuring value for money and operational efficiency and providing organisation-wide leadership and effective internal communications.

### Subsidiary Undertaking

The Trust's wholly-owned subsidiary, Royal Collection Enterprises Limited, has a paid up share capital of £2, and is incorporated in the UK. The principal activities of the company are the management of public access to the official residences of The King and the sale of retail merchandise. Taxable profits are donated in accordance with a deed of covenant to the parent company, The Royal Collection Trust.

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### Related Parties

The activities of Royal Collection Trust require the co-operation and support of the other departments of the Royal Household. These departments are represented on the Board of Trustees through the holders of the Relevant Offices.

Details of material transactions during the year with other entities controlled by officials or Trustees on behalf of The Sovereign are set out in note 22 to the financial statements.

### Objectives and Activities

The works of art that comprise the Royal Collection are held by The King as Sovereign for his successors and the nation. The Collection is exhibited primarily within areas of the official residences of The King, and in the unoccupied residences maintained by Historic Royal Palaces, which are open to the public. Where works of art are not on public view, these items are made available to the public through exhibitions at The King's Galleries in London and Edinburgh, through loans to other museums and galleries both within the UK and overseas (including travelling exhibitions), and via publications and online access.

### Charitable Objects and Public Benefit

The objects of The Trust are, for the benefit of the Nation:

- to administer, conserve, renovate, repair, maintain, improve and advise on the Royal Collection, the Royal Archives and the Royal Photograph Collection which pass in right of the Crown; and
- to educate and inform the Public about such Collections and Archives by exhibition, preparation of catalogues and inventories, research, publication, educational activities, digital engagement and by such other means as appropriate.

The Trustees, having regard to the Charity Commission's public benefit guidance, seek to fulfil these objects by pursuing a series of charitable aims:

- Conserving our history: we look after the living Collection with utmost care, on behalf of the Sovereign and for the benefit of the nation.
- Deepening understanding: we bring the Collection to life in innovative ways that invite understanding and exploration of our shared history.
- Broadening our reach: we find welcoming and inclusive ways for everyone to enjoy the Collection, wherever they are.
- Delighting our audiences: we create world-class experiences that involve and inspire people.

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## TRUSTEES' REPORT 2024/25

The Trustees consider that public benefit is delivered as a result of pursuit of the following activities:

### **Providing access to the Royal Collection, and presenting and interpreting the Collection to the public**

- direct access by visits to the official residences of The King in London, Windsor and Edinburgh, and to The King's Galleries in London and Edinburgh, with extensive audio tours included in the cost of admission;
- loaning items from the Collection to other organisations who will then exhibit them to the public, widening geographical access for those who may not be able to visit the main Royal Collection sites;
- the continued digitisation of information about and images of items in the Collection, available to access via the Royal Collection Trust website, microsites and the Collection Online function;
- regular digital access through resources shared on social media networks, email and YouTube;
- sharing our digital assets to be used on partner sites and in collaboration on research projects;
- increasing access via learning programming both on site and through online events;
- sessions for schools and community groups tailored to the Palaces and exhibitions, and a range of family events and online activities;
- lectures, panel discussions and creative courses for adults at all sites; and
- publishing guidebooks, catalogues and other publications physically and online.

Royal Collection Trust aims to make the Collection accessible to those with specific requirements, for example:

- those who perceive barriers to entry are supported through the Community programme across all sites, which facilitate visits for Community groups who work with people who are under-reached, disadvantaged and/or disabled;
- support for those who are blind or partially sighted is provided through verbal description audio tours as well as descriptive talks at our sites and online; those who are deaf or have hearing loss can use hand-held British Sign Language (BSL) video tours, attend captioned talks on site, and attend BSL talks;
- in terms of physical mobility, most Royal Collection sites are accessible, except for limited areas at the Palace of Holyroodhouse where mobility is restricted due to the nature of the building. Accessible toilets are available at all sites, with Changing Places toilets at Windsor Castle and the Royal Mews;
- access companions are granted free admission; and
- a downloadable guide on what to expect on your visit is available for people with autism or additional sensory needs. Visitors can request more information or discuss their visit in advance with our Access and Inclusion manager.

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### Pricing and access

Charges are made to visit the official residences of The King and exhibitions in The King's Galleries. Various measures are in place to ensure that the charges do not unduly restrict access to the Royal Collection as follows:

- flexible pricing of products to ensure wider access to the Collection via ticket discounts for schools and young people, an enhanced Young Person's discount, complimentary passes and use of the 1 Year Pass scheme;
- the introduction of £1 tickets for admission to the King's Galleries and a trial of £1 tickets for off-peak entry for Windsor Castle and the Palace of Holyroodhouse for those in receipt of Universal Credit and other named benefits;
- taught sessions and workshops are offered to schools as part of their reduced admission fee, and teachers can take advantage of free 'pre-visit' tickets, to help them prepare for their school's visit. Regular free teachers' evenings are programmed. Where fees are a barrier to visiting, schools can apply for free entrance and for travel subsidies;
- sessions for community groups and societies working with under-represented, disadvantaged or disabled audiences are provided free of charge. Registered charities working with under-represented, disadvantaged or disabled people can apply for free entrance to the Palaces and Galleries and individuals and organisations supporting Children in Care can apply for free entry to all sites;
- The Trust schedules live events about the Collection for free, or at a low price point, and extensive free learning resources are available on the [www.rct.uk](http://www.rct.uk) website;
- Windsor Castle participates in a scheme that gives discounted access to local residents;
- serving members of the armed forces and their families are granted free admission via the Defence Discount Service.

### Measuring public benefit

Royal Collection Trust aims to deepen understanding by sharing the collection with everyone, wherever they are. Audience development is central to this aim, helping us to understand our existing audiences and also to identify under-represented groups that we want to reach and welcome. Audience testing, online user testing and community consultation allow us to shape and develop products and programming designed to appeal to and reflect these audiences' needs and interests. Via our award-winning learning programmes RCT plays an increasing role in widening participation engagement and the promotion of health, wellbeing and community engagement.

Access and public benefit are measured using feedback mechanisms including surveys, focus groups and consultations, direct visitor feedback, engagements on social media and analytical evaluation of website and Collection Online content. As well as through formal evaluations of learning, community and exhibition programming which allow a process of continuous improvement to deliver enriching experiences which involve and inspire people.

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### Review of the Year

The financial statements set out on pages 29 to 61 cover the activities of The Royal Collection Trust (“The Trust”) and its trading subsidiary Royal Collection Enterprises Limited (together “Royal Collection Trust” or “the Group”). The Consolidated Statement of Financial Activities shows the gross income from all sources and the split of activity between restricted and unrestricted funds.

#### Public Access to the Collection

In 2024/25, Royal Collection Trust welcomed 2.9 million visitors to the official residences and The King’s Galleries.

Buckingham Palace Summer Opening, returning to opening seven days per week for in July and August for the first time since 2019, achieved its highest visitor numbers on record. The final week for the opening was again a dedicated Schools Week, providing the opportunity for primary, secondary and specialist learning schools to gain exclusive access to the State Rooms. Access to the Palace was further increased by adding more opportunities for guided tours, including of the first ever tours of the East Wing.

The King’s Gallery in London hosted two exhibitions during the year. The first of these was *Royal Portraits: A Century of Photography*, which brought together more than 150 photographic prints, proofs and documents from the Royal Collection and the Royal Archives. The second was *Drawing the Italian Renaissance* and featured around 160 works by artists such as Leonardo Da Vinci, Michelangelo, Raphael and Titian.

Windsor Castle continued to operate a five day per week operating model and experienced a small reduction in visitors. This was expected, following the increased demand driven by the Coronation the previous year. For a trial period from January to April 2025, £1 tickets were available for those in receipt of Universal Credit and other named UK Benefits, and over 18,000 visitors have visited the Castle as part of this scheme.

In Edinburgh, the Palace of Holyroodhouse was open for seven days per week during the summer, as it was in 2023/24. The Palace also offered £1 tickets for a trial period. The King’s Gallery in Edinburgh re-opened following a refurbishment during 2023/24, showing the exhibition *Style & Society: Dressing the Georgians*. This exhibition featured works from the Royal Collection providing an insight into the fashion of 18<sup>th</sup>-century Britain.

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#### Total visitor numbers:

	2024/25	2023/24
	<b>000</b>	<b>000</b>
Windsor Castle	1,367	1,402
Buckingham Palace	683	530
The King's Gallery, Buckingham Palace	174	194
The Royal Mews	165	182
St James's Palace	1	1
Palace of Holyroodhouse	440	443
The King's Gallery, Palace of Holyroodhouse	45	1
	<b>2,875</b>	<b>2,753</b>

Note: 49,000 learning and community group visitors are included in these numbers, and a further 1,000 people participated in digital learning activities (2023/24: 45,000).

#### Retail and trading activities

Retail and publishing income was significantly lower than in recent years at £22.0 million (2023/24: £27.0 million). As reported at the time, retail sales in those periods were boosted by the Jubilee range, the commemorative range celebrating the life of Queen Elizabeth II, and subsequently the Coronation range launched in 2023. The absence of commemorative events and a challenging retail environment overall saw a drop in sales both on and offsite. New merchandise ranges inspired by the Royal Collection and the official residences were introduced during the year. In addition to reviewing product ranges, the retail team have continued to focus on sustainable sourcing and consumption.

#### Publishing

Two publications aimed at enhancing the experience of visitors to Royal Collection sites were produced during the year. *Be inspired: How to Draw Like a Renaissance Master* was published in October 2024, to coincide with the opening of the *Drawing the Italian Renaissance* exhibition at The King's Gallery London. This was not a conventional exhibition catalogue but instead a sketchbook intended to help people learn about and practice the drawing techniques used by Renaissance artists, thus reinforcing the theme of the exhibition which encouraged visitors to sketch the works on display.

The second title to be published during the year was the latest in our series of architectural histories focusing on the official royal residences, *Palace of Holyroodhouse: 'A house of many memories*. The first official and complete history of the Palace, the book features specially commissioned photographs of the interiors to complement the text and was launched in

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October 2024. It received widespread coverage, including favourable reviews in *Scottish Field*, *Country Life* and other magazines and news outlets.

Three best-selling titles were reprinted again during the year due to popular demand: for *A Royal Cookbook* and *Royal Teas* this represented their 11th and 7th printing respectively since they were first published (in 2014 and 2017). The third, *Buckingham Palace: A Royal Garden*, is now on its third printing while we also brought back into print two books about Windsor Castle. The definitive history of the Castle, *Windsor Castle: A Thousand Years*, was reprinted for the second time along with the more general account, *Windsor Castle: An Illustrated History*, also reprinted for the second time. Finally, one of two bespoke children's books, *Kings & Queen's: Real Stories!*, was reprinted for the second time.

On the academic front, the two-year photographic programme undertaken for the *European Sculpture* catalogue raisonné had been completed by the end of the year, with publication of the catalogue (under the joint imprint of RCT and Modern Art Press) scheduled for October 2025.

#### Conservation, Curatorial, and Custodial Control

During 2024/25, 127 additional pictures were rehung in the East Wing of Buckingham Palace including the D-Day, Holocaust and Windrush portraits, together with Commonwealth decorative art gifts and over 400 British and European ceramics enabling access for private and official visits. Thirteen important paintings were hung in the Wolsey Rooms at Hampton Court Palace where they are available for public view.

An enhanced display of South-Asian arms and armour was reinstated in the Indian Room in Buckingham Palace, which was opened to the public for the first time. The Small Chinese Room was also opened to the public for the first time as part of the tours of the East Wing of Buckingham Palace, and was furnished with a new scheme of furniture, ceramics, clocks and lacquer, in these combined rooms over 500 items of decorative art have been made publicly accessible for the first time.

Arms and Armour displays in the State Entrance at Windsor Castle were enhanced with the addition of 75 weapons and the displays of gifts in the Grand Vestibule rotated to include 20 new works of art, mostly presented to HM The King.

During 2024-25, short-term loans have been sent to 30 different venues (33 different exhibitions), involving 144 objects.

Conservation projects undertaken during the year included work on the Pittenweem Pedestal Clock, Count Gleichen's sculpture, Alfred the Great, and a selection of works on paper including portrait miniatures, large water colours and photographs. The latter projects were in support

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of the publication on European Sculpture and the exhibition Edwardians: Age of Elegance, which opened at The King's Gallery London in May 2025.

Inventory checks were carried out at Windsor Castle, Buckingham Palace, The King's Galleries, Frogmore House, Highgrove House, Sandringham House, Bagshot Park, Dumfries House and the Castle of Mey.

Royal Archives Online launched in March 2025, following the successful transformation of Georgian Papers Online. The Royal Library and Royal Archives answered 1,365 enquiries from the public and hosted 277 research days for national and international scholars as well as 59 group visits, including 14 school teaching visits. The Royal Bindery conserved 383 volumes, including unique manuscripts, rare books, archival documents and photograph albums. Notable conservation work undertaken during the year included the treatment of iron-gall ink corrosion in an original music score penned by the ten-year-old Mozart. Newly catalogued material includes 11,587 books and 4,800 archival documents, the latter fully digitised and published online for free. In March 2025, Royal Archives Online was launched as a free digital resource offering unprecedented access to the archival collections at Windsor Castle.

#### **Insurance receipt**

During the year, an insurance settlement was received in respect of snuff boxes stolen whilst on loan to the Musée Cognacq-Jay. The settlement has been placed into a designated fund to be used for the enhancement of the Collection.

#### **Loan facilities**

As part of measures to withstand and recover from the financial impact of the pandemic, in 2021 The Trust obtained loan facilities with Coutts & Co totalling £52 million. This was a combination of a term loan and a revolving credit facility. Following several successful trading years with a focus on financial recovery and cash generation the facilities have been reduced.

The drawn borrowings at 1 April 2024 of £7.5 million were fully repaid during the year. The Charity has retained a £15 million revolving credit facility which can be drawn if required. This facility is in place until March 2028, although the Charity may cancel the facility early. The loan facility is subject to covenant and all covenant requirements have been met throughout the year and are expected to be met in the future. Details of the loan facility are given in note 18.

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### Looking ahead

Royal Collection Trust has achieved exceptional financial performance in recent years, due to a combination of very tightly controlled costs and strong demand for public access and retail products due to historic royal events. As Royal Collection Trust moves into the next financial year, the outlook is mixed. The most notable change will be the reduced capacity at Buckingham Palace in 2025 and 2026 due to the reservicing work at the Palace. In the long term this project will be beneficial but it will lead to a reduction in revenue for the next two years.

The retail environment is likely to remain challenging in the short term, and there is pressure on costs and capital spend to ensure the continued care of the Royal Collection and maintenance of public access. However, the public appetite to visit Royal Collection sites remains strong, and Royal Collection Trust continues to seek new opportunities to increase access to the Collection. Overall, the budget set for 2025/26 anticipates an operating surplus, albeit lower than in recent years, and the longer-term financial projection shows that the organisation will continue to be able to meet required expenditure whilst rebuilding free reserves.

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#### Reserves and going concern

Prior to the pandemic, The Trust's policy had been to target a free reserves level of £10 million. The significant loss incurred in 2020/21 resulted in reserves being fully expended. At 31 March 2024 free reserves showed a deficit position of £5.0 million. The strong trading performance in 2024/25 has improved this to a positive free reserves position of £8.1 million.

During 2024/25 the Trustees re-evaluated an appropriate target level for free reserves. This process considered the experience of the pandemic-related closure, the process and timeline for raising external finance, and the current operating model of the organisation. The exercise concluded that it would be reasonable to target a minimum free reserves level of £10m, equivalent to 2-3 months of unavoidable cash expenditure. In arriving at this level, Trustees also considered the £15m revolving credit facility, where cash can be drawn at short notice, and which is in place until 2028. The liquidity that the credit facility provides was a key consideration in determining the appropriate level of the free reserves policy. The policy will be monitored, with the decision regarding any ongoing credit facility in 2028 being a trigger for a policy review.

The Trustees have considered budgets and long term projections for most likely and reasonably plausible downside scenarios. Under the reasonably plausible downside scenario, including a reduction in income and accounting for required capital spend, the loan facility will provide liquidity needed to meet all debts as they fall due. Under the most likely scenario, it is not expected that the facility will need to be drawn, as all requirements can be met from operating cash flows.

On the basis of the projections prepared, The Trustees have concluded that the Group and Charity will be able to meet their liabilities as they fall due and therefore continue as a going concern for a period of at least 12 months from the approval of these financial statements.

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### Funds and Reserves

The reserves held at 31 March 2025 were as follows:

	2024/25	2023/24
	£000	£000
<b>Restricted funds</b>	<b>483</b>	<b>515</b>
Unrestricted funds		
General funds		
Fixed Asset Reserve	<b>43,283</b>	45,579
Free Reserve	<b>8,084</b>	(5,048)
Collection Investment Fund	<b>3,020</b>	-
Pension Reserve	<b>3,800</b>	2,400
<b>Total Unrestricted Funds</b>	<b>58,187</b>	42,931
<b>Total Charity Funds</b>	<b>58,670</b>	43,446

Details of the movements in fund balances are set out in note 19 on page 50.

#### Restricted funds

These are funds subject to specific restrictions imposed by donors that are still within the wider objects of the Charity.

#### Unrestricted funds

These are funds that are expendable at the discretion of the Trustees in furtherance of the Charity's objects.

The funded status of the **pension reserve** has increased by £1.4 million, resulting in a total asset of £3.8 million. This arises as a consequence of an updated actuarial report based on market changes and assumptions applicable as at 31 March 2025. The Trustees do not treat the pension reserve as available funds to be utilised as it is subject to market fluctuations and not realised in liquid funds. Consequently, the pension reserve is excluded from free reserves.

The **fixed asset reserve** represents the net book value of the group's tangible and intangible assets. It is excluded from free reserves, as the Charity could not dispose of all or the majority of these assets and continue its operations as a going concern.

The designated fund '**Collection Investment Fund**' was created in 2024/25 upon receipt of an insurance settlement in respect of Collection items stolen whilst on loan to a third party (as noted on page 11). There is no legal restriction on the use of the funds. The Trustees have

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created a designated fund to ensure that this money is used towards the enhancement of the Royal Collection. The aim is to reach target free reserves excluding this fund.

#### **Section 172 statement**

In accordance with section 172 of the Companies Act 2006, the Board considers in its decision making how to promote the success of Royal Collection Trust as a whole, with due consideration to the impact of decisions on other stakeholders. The Board considers the impact of its decisions on beneficiaries of the work of Royal Collection Trust, employees, suppliers, local communities and the environment.

The strategic focus on visitor experience and broadening access to the Collection ensures attention is given to the beneficiaries of Royal Collection Trust's activities. Pages 6 and 7 give examples. Feedback is invited from visitors to inform The Trust's understanding of their needs. Details of employee policies and practices, ensuring that the needs of employees are taken into account, are set out in the section below on Employment Policies.

The Board seeks to act responsibly with regards to the environment, and further information is provided in the Environmental Sustainability section of this report. Royal Collection Trust seeks to deal fairly with suppliers when agreeing contractual terms and settling accounts promptly, paying invoices within 30 days on average. Royal Collection Trust seeks to act responsibly towards its local communities, making special provision for local access, providing workshops for local community groups and using local suppliers where appropriate.

The Board is satisfied that the examples above and the information contained elsewhere in this report demonstrates its commitment to good governance under section 172.

#### **Fundraising**

The great majority of Royal Collection Trust's income is raised from admissions income from visitors to our sites and from retail sales. However, Royal Collection Trust does raise a small amount of additional funds from the corporate sector, Trusts and Foundations and Philanthropic individuals. Royal Collection Trust does not conduct mail-outs or practice 'cold calling' and only solicits gifts from supporters with whom it has an existing relationship.

Royal Collection Trust adheres to the Code of Fundraising Practice operated by the Fundraising Regulator, which includes guidance on fundraising with vulnerable people, as well as HMRC best practice for donor benefits.

Royal Collection Trust has clear, established and robust systems including: due-diligence reporting for solicitations in excess of £5,000, a gift-acceptance policy and a GDPR-compliant statement in place for approaching both existing and new prospects and the way in which we

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store personal data. There have been no failures by Royal Collection Trust to comply with these fundraising standards and the Group has received no complaints about its fundraising activities.

#### Risk Management

The Management Board and Operations Board of Royal Collection Trust, in conjunction with senior management in the Royal Household, is responsible for the oversight of the risk management process. Departmental Heads and senior managers are responsible for identifying, assessing and managing risk in their areas of responsibility and all staff are encouraged to identify operational risks in the performance of their duties. Risk management is designed to optimise performance and manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives.

Senior managers assess risks and opportunities in the preparation of longer-term operating plans. Specialist risk managers in the Royal Household include the Director of Digital Services, the Director of Property and the Director of Security Liaison. These specialists provide advice on the management of the risks falling within their areas of responsibility.

The Audit and Risk Assurance Committee is responsible for assessing the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks and is supported in this role by the Internal Audit function. The Chairman of the Committee reports to the Board of Trustees at each meeting of the Trustees on the Committee's activities and responsibilities.

The Committee meets three times annually and reviews the risk register twice a year. This follows a detailed review and discussion by the Operations Board. The Internal Audit function takes a risk-based approach to audits and operates to a plan of work agreed by the Audit and Risk Assurance Committee that is aligned to the risk register and the Group's objectives. Evaluation of the Company's exposure to risk includes consideration of governance, operational and information systems, the integrity of financial and operational information, the effectiveness and efficiency of operations, the safeguarding of assets and compliance with laws, regulations and contracts. The findings of all internal audit reviews are reported to the Committee.

The Committee monitors management's progress with the implementation of agreed internal audit recommendations. Assurance on specialist areas such as data protection, property maintenance, health and safety and security is provided by suitably qualified senior managers in the Royal Household and where appropriate, external professionals. New activities and changes to existing processes are reviewed to ensure that appropriate controls are in place. Ongoing budgetary control is supported by the production of regular and timely financial management reports.

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Risks are currently categorised within 11 sections: Custody of the Collection, Conservation and Maintenance, Public Access to the Collection, Presentation and Interpretation, Audience Development, Generic, Operational, Staffing, Reputational, Compliance, and Environmental and Sustainability.

Key risks currently relate to physical and cyber security, staff recruitment and retention challenges, and Collection storage issues.

Royal Collection Trust manages key generic risks relating to physical and cyber security, potential failure of IT systems, the need to ensure appropriate and robust safeguarding measures for visitors and staff and the operational risks associated with managing large numbers of visitors. Led by the Royal Household's Digital Services function, specific controls to address information risk are applied. Regular penetration testing of networks and systems is undertaken and staff training on cyber security and data protection is provided annually

The UK employment market continues to make recruitment a challenge, particularly given the large number of summer staff required to run visitor and retail operations. The condition and capacity of the Trust's Collection stores also give rise to risk. This is a consequence of the challenges of storing material in historic buildings, the repairs and maintenance requirement at some storage facilities and an increase in overall volume of items requiring storage.

Management continues to monitor and manage ongoing risks relating to areas such as the achievement of charitable objectives, and the protection of the Group's assets. Regular inventory checks ensure that the works of art within the Royal Collection are subject to proper custodial control. In addition, the checks confirm the condition of items in the Royal Collection and help to establish conservation priorities. Environmental monitoring of conditions throughout the official residences and at other locations where the Royal Collection is on display ensures that the deterioration of works of art is minimised.

The risk register is amended and reviewed regularly to reflect the changing risk profile outlined above.

### **Employment policies and employee engagement**

As a department of the Royal Household, Royal Collection Trust follows the Royal Household's employment policies and practices. These underpin organisational purpose and aim to create an engaged, diverse and adaptable workforce. The Royal Household benchmarks and seeks validation for its employment policies and practices.

## Royal Collection Trust

### TRUSTEES' REPORT 2024/25

The Disclosure and Concern at Work policy clarifies the protection offered to 'whistle-blowers' under the Public Interest Disclosures Act, and an Employee Assistance Programme provides an additional, third-party route for staff to seek advice on these matters. Policies and procedures, including those relating to procurement, are kept under review to identify, prevent and mitigate any risks of modern slavery or human trafficking.

Royal Collection Trust is fully committed to proactively supporting the safeguarding of its employees, workers, visitors, and contractors, and has a clear Safeguarding Policy and set of procedures that are available both to staff and members of the public. This year employee safeguarding training has been reviewed to ensure staff knowledge is comprehensive and up to date.

Royal Collection Trust supports the professional development of our teams. It is committed to ensuring that all employees receive regular and good quality feedback and that they are supported to develop skills and experiences relevant to the requirements of their role and career ambitions.

Royal Collection Trust is already committed to building a more inclusive culture and this will continue to be a priority. Recognising the important role leaders play, the senior team has undertaken an inclusive leadership development programme designed to encourage them in being visible advocates for inclusion. In addition, resources will be expanded and learning opportunities made available to our employees and provide additional support for people managers to ensure all are aware of the role they play in building an inclusive culture. Listening via surveys and other forums, to ensure a culture that enables every employee to thrive is also in place.

Employees have been regularly informed of the organisation's financial situation and strategic plans through Directors' Briefings, both online and in person. Opportunities for employee voice is maximised via pulse surveys, listening sessions, 'Investors in People' accreditation activity and through the work of the Internal Communications Working Group. New opportunities for leaders to listen, engage and share continue to be welcomed.

As part of The Royal Household, Royal Collection Trust is supportive of employees who undertake volunteering and charitable activities, recognising the benefit to the individual involved and of forging links with the wider community. Employees can take up to five days paid volunteering leave a year for this purpose.

## Royal Collection Trust

### TRUSTEES' REPORT 2024/25

#### Environmental Sustainability

The Royal Household recognises its role in reducing greenhouse gas emissions, restoring nature, supporting and collaborating with those doing the same and inspiring others to join the journey. As one of the Household's five departments, Royal Collection Trust fully supports the Household objective of operating in a sustainable way and minimising its impact on the environment.

Over the last year the Royal Household sustainability programme has built strong foundations: developing the high-level pathway to Net Zero for direct emissions by 2040, enhancing internal and external communications, building staff engagement, knowledge and capability, establishing a governance framework and identifying appropriate external partnerships.

The Sustainability Team developed during the year to support across the Household brings together Nature expertise through a secondment from Natural England, a Sustainability Data Reporting Manager, an Energy and Environment Manager, and a placement role to provide an entry route into the profession.

In 2025-26 feasibility analyses for the largescale decarbonisation initiatives will be completed with the intention for this to enable on site work to begin 2026-27. An indirect (scope 3) emissions reduction pathway will be developed with a focus on working with suppliers.

As the programme matures the scope has widened from a carbon focus to reflect the interconnectivity of action for people, the climate and nature. With work now aligning under these three areas of action top level targets have been established for 2025-26 to measure progress.

These targets are underpinned by developing Departmental Action Plans that set clear goals and owners. The Royal Collection Trust Sustainability Action Plan was approved in July 2024. Achievements in the current financial year include:

- **Lighting**  
Office lighting has been replaced with LED's and where required, PIR lighting installed in corridors and communal areas of offices. Marlborough House Workshop has also had LED lighting upgrades.
- **Resource efficiency**  
Enhanced visitor recycling facilities and signage has driven a 5% decrease in staff and visitor waste to landfill at Windsor Castle. Work has also been underway to address some more challenging waste streams with combined recycling facilities now in place.

## Royal Collection Trust

### TRUSTEES' REPORT 2024/25

- **Visitor Experience**

A sustainability audit was conducted for the website, with areas for improvement identified and rolled out. Sustainability is prioritised when contracting with new suppliers and continues to be a focus in delivery.

- **Retail**

There has been a focus on supply chain tracking with benchmarking data gathered on product country of origin. There has been continued focus on reducing excess packaging and providing reusable alternatives in place of single use items.

# Royal Collection Trust

## TRUSTEES' REPORT 2024/25

### Streamlined Energy and Carbon Reporting 2024/25

Royal Collection Trust is required to report on energy use and carbon emissions under the Streamlined Energy and Carbon Reporting regulations. The tables below provide the disclosure required in respect of The Royal Collection Trust and Royal Collection Enterprises Limited.

This SECR report covers:

Scope 1 – Natural Gas and Owned/leased vehicles.

Scope 2 – Electricity National Grid

Scope 3 – Travel in privately owned vehicles for business purposes

#### Greenhouse Gas Emissions

	2025 (tCO <sub>2</sub> e)		2024 (tCO <sub>2</sub> e)	
	Location based**	Market based*	Location based**	Market based*
Emissions Scope 1	570	570	577	577
Emissions Scope 2	578	41	522	47
<b>Total Scope 1 &amp; 2</b>	<b>1,148</b>	<b>611</b>	<b>1,099</b>	<b>624</b>
Emissions Scope 3	13	13	14	14
<b>Total GHG emissions (1-3)</b>	<b>1,161</b>	<b>624</b>	<b>1,113</b>	<b>638</b>

GHG emissions for reporting purposes are deemed to be Market-based.

\* GHG emissions for grid electricity calculated according to the Market-based method supported by contractual arrangements with suppliers for the purchase of renewable electricity.

\*\* GHG emissions for grid electricity calculated using UK grid-average (Location-based) emissions factor.

All emissions have been calculated using the relevant carbon conversion factors from DEFRA. Scope 1 emissions decreased in 2025 due to a decrease in consumption. Scope 2 consumption increased, due to an increase in consumption, for example due to increased activity and Buckingham Palace.

#### Energy Use

Energy Consumption	2025	2024
	KWh (m)	KWh (m)
Scope 1	3.10	3.14
Scope 2	2.79	2.52
Scope 3	0.05	0.06
<b>Total kWh</b>	<b>5.94</b>	<b>5.72</b>

# Royal Collection Trust

## TRUSTEES' REPORT 2024/25

Data has been sourced from accounting software using utility invoices, business mileage claims and fuel card invoices.

Royal Collection Trust has adopted Net Internal Area (NIA) as an intensity measure. The NIA of buildings during the 2024/25 financial year was 27,565 m<sup>2</sup>. Royal Collection Trust emitted 0.042 tonnes of CO<sub>2</sub>e per m<sup>2</sup> of NIA when using grid average conversions. Royal Collection Trust emitted 0.024 tonnes of CO<sub>2</sub>e per m<sup>2</sup> of NIA when allowing for Renewable Energy Guarantees of Origin (REGOs).

Energy consumption used to calculate emissions	Natural gas consumption: 3,032,470 kWh Company owned diesel vehicles: 60,291 kWh Company owned petrol vehicles: 4,014 kWh Electricity consumption: 2,792,223 kWh (of which all except 199,815 kWh is REGO backed renewably sourced electricity) Non-company owned vehicles: 51,637 kWh <b>Total: 5,940,636 kWh</b>
Emissions from combustion of gas tCO <sub>2</sub> e (scope 1)	554.6 tCO <sub>2</sub> e
Emissions from business travel in company owned vehicles	15.3 tCO <sub>2</sub> e
Emissions from purchased electricity (scope 2, location based)	578.1 tCO <sub>2</sub> e (using grid average) 41.4 tonnes (allowing for REGO backed renewable generation)
Emissions from business travel in rental cars or employee owned vehicles where company is responsible for purchasing the fuel (scope 3)	12.5 tCO <sub>2</sub> e
<b>Total gross CO<sub>2</sub>e based on the above</b>	1,160.5 tCO <sub>2</sub> e (using grid average) 623.8 tCO <sub>2</sub> e (allowing for REGO back renewable generation)

## Royal Collection Trust

### TRUSTEES' REPORT 2024/25

#### Statement of Trustees responsibilities in respect of the Trustees' Annual Report and the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the group and parent charitable company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent charitable company and of the group's income and expenditure for that period. In preparing each of the group and parent charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the parent charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the parent charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the

## Royal Collection Trust

### TRUSTEES' REPORT 2024/25

preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Disclosure of information to auditor

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### Auditors

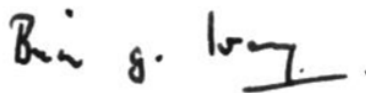
The Board has agreed that there will be a tender for the external auditor appointment which will take effect from the 2025/26 financial year.

By order of the Trustees



**Sir Nicholas Bacon, Bt**

*Trustee*



**Sir Brian Ivory**

*Trustee*

York House  
St James's Palace  
London SW1A 1BQ  
2 July 2025



## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE ROYAL COLLECTION TRUST

### Opinion

We have audited the financial statements of The Royal Collection Trust (“the charitable company”) for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, The Royal Collection Trust Statement of Financial Activities, Consolidated and Trust Balance Sheet, Consolidated Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group’s and of the charitable company’s affairs as at 31 March 2025 and of the group’s incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### Basis for opinion

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charitable company or to cease their operations, and as they have concluded that the group and the charitable company’s financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements (“the going concern period”).

In our evaluation of the trustees’ conclusions, we considered the inherent risks to the group’s business model and analysed how those risks might affect the group and charitable company’s financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the trustees’ assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the charitable company’s ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROYAL COLLECTION TRUST

were made, the above conclusions are not a guarantee that the group or the charitable company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors/ trustees, internal audit and inspection of policy documentation as to the Group’s high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes of the Board of Trustees, and Audit and Risk Assurance Committee Meetings
- Using analytical procedures to identify any unusual or unexpected relationships. We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Group’s revenue primarily arises from non-complex, individually low value transactions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual journal entry combinations in relation to cash, borrowings and revenue and material journals posted after the ledger closing date.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

#### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation),



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROYAL COLLECTION TRUST

distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety and employment law recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Other information**

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- the charitable company has not kept adequate and proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or we have not received all the information and explanations we require for our audit.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROYAL COLLECTION TRUST**

We have nothing to report in these respects.

### **Trustees' responsibilities**

As explained more fully in their statement set out on page 23, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### *The purpose of our audit work and to whom we owe our responsibilities*

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members, as a body and its trustees, as a body, for our audit work, for this report or for the opinions we have formed.

**Lynton Richmond (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

*KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006*

15 Canada Square

London

E14 5GL

03 July 2025

# Royal Collection Trust

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (incorporating the consolidated income and expenditure account)

For the year ended 31 March 2025

	Note	Income Funds		2025	Income Funds		2024
		Unrestricted £000	Restricted £000	Total £000	Unrestricted £000	Restricted £000	Total £000
<b>Income</b>							
<u>Donations and legacies</u>	4,19	30	59	89	31	98	129
<u>Charitable Activities</u>							
Access		63,794	-	63,794	56,486	-	56,486
Presentation and interpretation		332	-	332	372	-	372
<u>Other Trading Activities</u>							
Retail, catering, photographic services		21,681	-	21,681	26,665	-	26,665
Licences, commissions and fees	2	305	-	305	183	-	183
<u>Investments</u>							
Investment income	6	607	-	607	333	-	333
<u>Other income</u>		106	-	106	175	-	175
<u>Insurance receipt</u>	19	3,020	-	3,020	-	-	-
<b>Total income</b>		<b>89,875</b>	<b>59</b>	<b>89,934</b>	<b>84,245</b>	<b>98</b>	<b>84,343</b>
<b>Expenditure</b>							
<u>Raising Funds</u>							
Fundraising	7	42	-	42	79	-	79
Retail, catering, photographic services	7	20,876	-	20,876	23,187	-	23,187
		20,918	-	20,918	23,266	-	23,266
<u>Charitable Activities</u>							
Access	7	39,255	-	39,255	33,808	-	33,808
Presentation and interpretation	7,19	6,398	40	6,438	5,666	132	5,798
Exhibitions and displays	7,19	2,130	13	2,143	2,189	13	2,202
Conservation	7,19	3,608	38	3,646	3,107	-	3,107
Custodial control	7	2,466	-	2,466	2,192	-	2,192
		53,857	91	53,948	46,962	145	47,107
<u>Other</u>							
Donations payable	5	797	-	797	773	-	773
Interest payable	6	347	-	347	1,012	-	1,012
<b>Total expenditure</b>		<b>75,919</b>	<b>91</b>	<b>76,010</b>	<b>72,013</b>	<b>145</b>	<b>72,158</b>
<b>Net income/(deficit)</b>		<b>13,956</b>	<b>(32)</b>	<b>13,924</b>	<b>12,232</b>	<b>(47 )</b>	<b>12,185</b>
<b>Other recognised gains/(losses)</b>							
Actuarial gain/(loss) on pension scheme	22	1,300	-	1,300	(400 )	-	(400 )
<b>Net movement in funds</b>		<b>15,256</b>	<b>(32)</b>	<b>15,224</b>	<b>11,832</b>	<b>(47 )</b>	<b>11,785</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		42,931	515	43,446	31,099	562	31,661
Total funds carried forward		<b>58,187</b>	<b>483</b>	<b>58,670</b>	<b>42,931</b>	<b>515</b>	<b>43,446</b>

The results shown above relate to continuing activities. There are no recognised gains or losses other than those included above. The incoming resources and resources expended for the year are measured under the historical cost convention. The notes on pages 33 to 61 form part of these financial statements.

# Royal Collection Trust

## THE ROYAL COLLECTION TRUST STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2025

	Note	Income Funds		2025	Income Funds		2024
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		£000	£000	£000	£000	£000	£000
<b>Income</b>							
<u>Donations and legacies</u>							
Received from subsidiary	24	7,123	-	7,123	12,373	-	12,373
Other donations	4,1 9	30	59	89	31	98	129
<u>Charitable Activities</u>							
Access		63,815	-	63,815	56,486	-	56,486
Presentation and interpretation		211	-	211	216	-	216
<u>Investments</u>							
Investment income	6	204	-	204	329	-	329
<u>Other</u>		882	-	882	657	-	657
<u>Insurance receipt</u>	19	3,020	-	3,020	-	-	-
<b>Total</b>		<b>75,285</b>	<b>59</b>	<b>75,344</b>	<b>70,092</b>	<b>98</b>	<b>70,190</b>
<b>Expenditure</b>							
<u>Raising Funds</u>							
		42	-	42	89	-	89
		42	-	42	89	-	89
<u>Charitable Activities</u>							
Access		49,914	-	49,914	46,975	-	46,975
Presentation and interpretation	19	3,709	40	3,749	3,477	132	3,609
Exhibitions and displays	19	986	13	999	799	13	812
Conservation	19	3,608	38	3,646	3,107	-	3,107
Custodial control		2,466	-	2,466	2,192	-	2,192
		60,683	91	60,774	56,550	145	56,695
<u>Other expenditure</u>		165	-	165	188	-	188
<u>Interest payable</u>	6	347	-	347	1,012	-	1,012
<b>Total expenditure</b>		<b>61,237</b>	<b>91</b>	<b>61,328</b>	<b>57,839</b>	<b>145</b>	<b>57,984</b>
<b>Net income/(deficit)</b>		<b>14,048</b>	<b>(32)</b>	<b>14,016</b>	<b>12,253</b>	<b>(47)</b>	<b>12,206</b>
<b>Other recognised gains/(losses)</b>							
Actuarial gain/(loss) on pension scheme	21	1,300	-	1,300	(400)	-	(400)
<b>Net movement in funds</b>		<b>15,348</b>	<b>(32)</b>	<b>15,316</b>	<b>11,853</b>	<b>(47)</b>	<b>11,806</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		42,452	515	42,967	30,599	562	31,161
Total funds carried forward		57,800	483	58,283	42,452	515	42,967

The notes on pages 33 to 61 form part of these financial statements.

# Royal Collection Trust

## CONSOLIDATED AND TRUST BALANCE SHEET

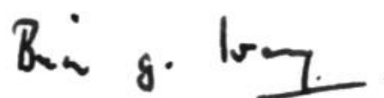
As at 31 March 2025

	Note	2025		2024	
		Group £000	Trust £000	Group £000	Trust £000
<u>Non-current assets</u>					
Intangible assets	11	3,557	3,537	3,765	3,734
Tangible assets	12	39,977	39,551	42,078	41,527
<b>Total non-current assets</b>		<b>43,534</b>	<b>43,088</b>	<b>45,843</b>	<b>45,261</b>
<u>Current assets</u>					
Stock and work in progress	14	6,565	-	4,936	-
Debtors	15	2,081	13,047	2,742	13,506
Bank deposits		10,861	545	2,736	588
Cash at bank and in hand		789	10	960	15
<b>Total current assets</b>		<b>20,296</b>	<b>13,602</b>	<b>11,374</b>	<b>14,109</b>
<u>Liabilities</u>					
Creditors: amounts due within one year	17	(8,960)	(2,207)	(8,671)	(11,303)
<b>Net current assets</b>		<b>11,336</b>	<b>11,395</b>	<b>2,703</b>	<b>2,806</b>
Creditors: amounts due in more than one year	18	-	-	(7,500)	(7,500)
<b>Net assets excluding pension asset</b>		<b>54,870</b>	<b>54,483</b>	<b>41,046</b>	<b>40,567</b>
Defined benefit pension scheme asset	21	3,800	3,800	2,400	2,400
<b>Total net assets</b>		<b>58,670</b>	<b>58,283</b>	<b>43,446</b>	<b>42,967</b>
<b>Funds</b>					
<u>Restricted funds</u>					
Fixed assets		251	251	264	264
Cash & Debtors		232	232	251	251
<b>Total restricted funds</b>		<b>483</b>	<b>483</b>	<b>515</b>	<b>515</b>
<u>Unrestricted funds</u>					
General funds:					
Fixed assets		43,283	42,837	45,579	44,997
Designated funds	19	3,020	3,020	-	-
Free reserve		8,084	8,143	(5,048)	(4,945)
Pension reserve	21	3,800	3,800	2,400	2,400
<b>Total unrestricted funds</b>		<b>58,187</b>	<b>57,800</b>	<b>42,931</b>	<b>42,452</b>
<b>Total funds</b>		<b>58,670</b>	<b>58,283</b>	<b>43,446</b>	<b>42,967</b>

The notes on pages 33 to 61 form part of these financial statements. These financial statements were approved by the Trustees on 2 July 2025 and were signed on their behalf by:



**Sir Nicholas Bacon, Bt**  
Trustee



**Sir Brian Ivory**  
Trustee

# Royal Collection Trust

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

<b><u>Reconciliation of net income to net cash generated by operating activities</u></b>	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
<b>Net income for the year</b>	<b>15,224</b>	<b>11,785</b>
Adjustments for:		
Actuarial (gain)/loss on defined benefit pension scheme	<b>(1,300)</b>	400
Amortisation	<b>208</b>	248
Depreciation	<b>3,140</b>	3,242
Loss on disposal of fixed assets	<b>100</b>	433
Increase in stock	<b>(1,629)</b>	(599)
Decrease/(increase) in debtors	<b>609</b>	(251)
Increase in creditors	<b>467</b>	1,172
Interest receivable	<b>(607)</b>	(333)
Interest payable	<b>347</b>	1,012
<b>Net cash generated by operating activities</b>	<b>16,559</b>	<b>18,307</b>
 <b><u>Statement of cash flows</u></b>		
Net cash generated by operating activities	<b>16,559</b>	<b>18,307</b>
<b>Cash flows from investing activities:</b>		
Interest income	<b>507</b>	233
Purchase of intangible assets	<b>-</b>	(34)
Purchase of tangible fixed assets	<b>(1,287)</b>	(1,316)
<b>Net cash used in investing activities</b>	<b>(780)</b>	<b>(1,117)</b>
 <b>Cash flows from financing activities</b>		
Repayment of loan	<b>(7,500)</b>	(15,000)
Payment of loan interest	<b>(325)</b>	(1,040)
<b>Net cash used in financing activities</b>	<b>(7,825)</b>	<b>(16,040)</b>
 <b>Change in cash and cash equivalents in the year</b>	<b>7,954</b>	<b>(1,150)</b>
Cash and cash equivalents at the beginning of the year	<b>3,696</b>	2,546
<b>Cash and cash equivalents at the end of the year</b>	<b>11,650</b>	<b>3,696</b>
 <b>Analysis of cash and cash equivalents</b>		
Cash at bank and in hand	<b>10,861</b>	960
Bank deposits	<b>789</b>	2,736
<b>Total cash and cash equivalents</b>	<b>11,650</b>	<b>3,696</b>

The notes on pages 33 to 61 form part of these financial statements.

# Royal Collection Trust

## NOTES (forming part of the Financial Statements)

### I Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

#### Status of company

The Royal Collection Trust ("The Trust") is a company limited by guarantee, incorporated on 29 January 1993 and registered as a charity in England and Wales on 2 February 1993. The Charity is a public benefit entity. The Office of the Scottish Charity Regulator approved The Trust's application to be registered as a charity in Scotland on 5 August 2008. The company was established under a Memorandum of Association which established the objects and powers of The Trust and is governed under its Articles of Association.

#### Basis of preparation

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) (effective 1 January 2015) - (Charities SORP 2019 (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The company is exempt from the requirement to disclose the details of related party transactions with its subsidiary undertaking.

The subsidiary's principal activities include: management of the admission of visitors to the official residences of The King to view the Royal Collection, the publication of books on the Royal Collection, the granting of rights for the use of images from the Royal Collection in books and other media and the sale of merchandise.

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate.

The Trustees have reviewed income, expenditure and cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements based on a 'most likely' scenario. In addition, sensitivity analysis has been prepared to reflect a reasonably plausible downside scenario. This analysis takes account of the requirements to service and repay borrowing facilities.

The Trust has a revolving credit facility that permits borrowing up to £15 million, which can be retained until March 2028. No security was required for the facility. The Trust has complied with the associated covenants since the facility was granted and expects to remain compliant for the full term of the loan. The Trust has not had need to draw on the facility since July 2024. In the 'most likely' scenario, there is no planned utilisation of the facility. In the reasonably plausible downside there is some utilisation of the facility, well within its terms.

Forecasts show that the Group and Charity will be able to continue in operation for a period of at least 12 months from the approval of the financial statements and will have sufficient funds to meet their liabilities as they fall due and will comply with loan covenants and the requirements to service and repay the loan.

On this basis, the Trustees have concluded that it is appropriate to prepare the financial statements on a going concern basis.

# Royal Collection Trust

## NOTES (forming part of the Financial Statements)

### I Accounting policies (continued)

#### **Basis of consolidation**

The group (collectively referred to as Royal Collection Trust or “the Group”) accounts consolidate The Royal Collection Trust and its subsidiary undertaking, Royal Collection Enterprises Limited on a line-by-line basis. These accounts are made up to 31 March 2025.

#### **Income**

Income represents:

- the amounts derived from admission charges (including any Gift Aid receivable) which are culturally exempt from VAT;
- income (excluding VAT), from the sale of goods and reproduction rights;
- the receipt of royalties from publications and merchandise;
- donations; and
- other income includes booking fees and sundry income.

In general, income is accounted for on a receivable basis, but is deferred when it is received in respect of events or transactions occurring after the year end. Entitlement to a donation arises immediately on receipt, pledges and promises of donations are only recognised as income when the receipt is probable and the amount of the promised gift can be measured reliably.

#### **Resources expended**

All outgoing resources are included in the Statement of Financial Activities inclusive of any irrecoverable VAT.

Donations are included in the Statement of Financial Activities when payable. Other charitable expenditure is recognised on an accruals basis, with liabilities valued at their settlement amount.

Expenditure incurred within The Trust is allocated between that incurred directly on admitting the public to the official residences, the conservation and maintenance of items in the Royal Collection, and that incurred on the management and administration of The Trust, details of which are disclosed in note 7. The allocation of management and administration costs between The Trust and its trading subsidiary and the subsequent apportionment to individual activities is based on an estimated proportion of time spent on those activities. The calculations underpinning such apportionments have been reviewed and updated during 2024/25. This exercise has not significantly altered the overall cost allocation across the reported activities.

#### **Governance costs**

These costs include the costs of governance arrangements which relate to the general running of The Trust as opposed to the direct management functions inherent in day-to-day operations. This includes such items as internal and external audit, legal advice for Trustees and costs associated with regulatory and statutory requirements.

#### **Support costs**

Support costs represent the staffing and associated costs of marketing, finance, human resources, IT and general administration in supporting the operational programmes for which The Trust is responsible.

# Royal Collection Trust

## NOTES (forming part of the Financial Statements)

### I Accounting policies (continued)

#### Exhibition costs

The costs of mounting exhibitions are written off as incurred.

#### Publishing

The cost of producing each book is carried forward as work in progress until publication. Where, however, it is envisaged that a book will make a loss (e.g. academic or specialist publications), the loss is recognised immediately. Publication titles are included in stock at the lower of cost or net realisable value. Publishing royalties are recognised when earned.

#### Fixed assets and depreciation

The buildings comprising Windsor Castle, Buckingham Palace (including The King's Gallery and the Royal Mews) and the Palace of Holyroodhouse (including The King's Gallery) are owned by The King as Sovereign and maintained by the Royal Household Property Section and Historic Environment Scotland. However, where improvements or major redevelopments are made to these buildings by Royal Collection Trust, in order to increase revenues or to fulfil The Trust's charitable objects, the expenditure (including irrecoverable VAT) is capitalised and depreciation is charged over the estimated useful lives of the assets.

The Royal Collection consists of works of art of all kinds which are held by The King in right of the Crown and are held in trust for his Successors and the Nation. These are assets of historical and artistic importance that are held to advance the preservation, conservation and educational objectives of The Trust. Assets held in right of the Crown are not recognised as Heritage Assets by Royal Collection Trust, as they do not meet the recognition criteria of an asset under FRS 102 and are therefore not capitalised in these financial statements. Royal Collection Trust cannot control the benefits that arise from these assets as its role with respect to the Royal Collection as defined by its charitable objects is to administer, conserve, renovate, repair, maintain, improve and advise on the Royal Collection, the Royal Archives and the Photograph Collection which pass in right of the Crown.

All fixed assets are included in the financial statements at historical cost. No depreciation or amortisation is charged on assets in the course of construction until the assets have been successfully commissioned and are available for use. Finance costs incurred in connection with the construction of tangible assets are not capitalised and are charged to the income and expenditure account as incurred.

Depreciation and amortisation is provided by Royal Collection Trust to write off the cost or valuation less estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives which are determined on an individual asset basis as follows:

Building redevelopments	-	40 years
Property improvements	-	5 to 20 years
Plant and machinery	-	5 to 20 years
Furniture, fittings and equipment	-	2 to 10 years
Software development	-	3 to 10 years

Individual assets costing less than £5,000 are not capitalised.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### I Accounting policies (continued)

If an asset is available for use but the cost cannot be reliably measured by the year end date (e.g. for construction projects where the final valuation of works is yet to be certified), the estimated cost of the asset is included in Assets in the Course of Construction and an accrual for estimated depreciation is charged against income and held in accruals until the final valuation is known and recorded in the fixed asset register. Where a project is complete and the asset is in use, but a retention is outstanding, the retention and associated depreciation are also accrued.

#### Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate of exchange ruling at the balance sheet date and the gains and losses on translation are included in the income and expenditure account.

#### Stock and work in progress

Stock and work in progress is stated at the lower of cost and net realisable value. Work in progress relates to the component cost of publishing stock and china products. Stock is valued using the first in first out method (FIFO).

#### Estimates and judgements

Provision is made against stock and work in progress where there are specific risks identified against the recoverability of carrying value. Further detail is given in note 14.

The pension costs and obligations of the Royal Households Group Pension Scheme are calculated on the basis of a range of assumptions, including the discount rate, inflation rate, salary growth and mortality. Differences arising as a result of actual experience differing from the assumptions, or future changes in the assumptions will be reflected in subsequent periods. A small change in assumptions can have a significant impact on the valuation of the liabilities. More details on the assumptions used, including sensitivity analysis, are given in Note 21. It should also be noted that the apportionment of assets between participating employers is subject to judgement, and the approach used has been applied consistently with the funding valuation and over time.

#### Financial instruments

The Charity holds basic financial instruments. These are initially measured at the amount receivable or payable and subsequently at the amount expected to be received or paid. The financial instruments that the Charity commonly holds are

- Cash and long-term bank deposits – measured at the amount of cash held;
- Trade debtors – initially measured at settlement amount, subsequently this may be adjusted to reflect credit risk;
- Accrued income – measured at the amount expected to be received, subsequently this may be adjusted if the expectation of receipt changes; and
- Trade creditors – measured at the amount to be settled net of any trade discounts.
- Loans (liabilities) – measured at amortised cost. Transaction costs are spread over the life of the facility
- Loans (assets) – measured at amortised cost.

No financial instruments are held at fair value through profit or loss. Financial instruments are held at amortised cost if the effect of discounting is material to the financial statements.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### I Accounting policies (continued)

##### **Pensions**

Royal Collection Trust participates in two pension schemes providing benefits based on final pensionable pay, The Royal Household Pension Scheme and The Royal Households Group Pension Scheme, and also a defined contribution scheme. The assets of the schemes are held separately from those of Royal Collection Trust. Contributions to the schemes are charged to the Statement of Financial Activities to reflect the cost of benefits accruing to members so as to spread pension costs over employees' working lives with Royal Collection Trust.

One of these pension schemes, The Royal Household Pension Scheme, is managed by the Government and the benefits of the scheme are broadly analogous to the benefits of the Principal Civil Service Scheme (PCSPS). It is an unfunded scheme and the Consolidated Fund pays as a Standing Service the pension benefits of those Royal Collection Trust employees who entered employment before 1 April 2001.

The liabilities for this scheme are included within the resource accounts of the Consolidated Fund Account. Royal Collection Trust is unable to identify the share of the underlying assets and liabilities of the scheme attributable to its employees on a consistent and reasonable basis and therefore as permitted by FRS 102 this scheme is treated as a defined contribution scheme by Royal Collection Trust and the full cost of contributions made in the year is reflected in the Statement of Financial Activities.

The other scheme, The Royal Households Group Pension Scheme, is accounted for in accordance with FRS102 with current service cost and net interest cost recognised in net income and remeasurement of the net defined benefit asset or liability recognised in other comprehensive income. This scheme was closed to future service accrual from 1 April 2021 (although active members will maintain the link to future salary increases). From this date, members are enrolled in the defined contribution scheme, unless they choose to opt-out.

The assets of the defined contribution scheme are held separately from those of the company in an independently administered fund. The amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Further details of the pension schemes are provided in note 21.

##### **Taxation**

The Royal Collection Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. In addition because the subsidiary is bound by deed of covenant to transfer all its taxable profit to The Trust, it incurs no liability to tax. Consequently Royal Collection Trust has no liability to tax and no deferred tax.

##### **Restricted Funds**

Restricted Funds include those receipts which are subject to specific restrictions, including donations towards specific projects for conservation and publishing.

# Royal Collection Trust

## NOTES (forming part of the Financial Statements)

### 1 Accounting policies (continued)

#### Unrestricted Funds

Unrestricted Funds include donations and other income received without restriction, including the profits of the subsidiary, which are expendable at the discretion of the Trustees.

#### Operating Leases

Operating lease rentals (net of any lease incentive) are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

#### Donated Goods, Facilities and Services

Donated goods, facilities and services are recognised when it has been established that The Trust has an entitlement to them, their receipt is probable and that their value can be measured reliably. Donated goods are measured at their fair value, while donated facilities and services are measured on the basis of their value to The Trust.

### 2 Licences, commissions and fees

	2025	2024
	£000	£000
Licences & royalties	166	117
Fees	139	66
	<u>305</u>	<u>183</u>

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 3 Net income is stated after charging:

	<b>2025</b>	2024
	<b>£000</b>	£000
Auditor's remuneration:		
Audit of these financial statements	<b>61</b>	56
Audit of subsidiary undertakings	<b>40</b>	36
Depreciation, amortisation and impairment		
Owned assets	<b>3,348</b>	3,490
Operating lease charges	<b>515</b>	366

#### 4 Donations and legacies received

	<b>2025</b>	2024
	<b>£000</b>	£000
Donations	<b>89</b>	129

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 5 Donations payable

Donations payable in the year were as follows:

	<b>Group</b>	Group	<b>Trust</b>	Trust
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£000</b>	£000	<b>£000</b>	£000
Privy Purse Charitable Trust	<b>797</b>	773	-	-

#### 6 Investment income and interest payable

	<b>Group</b>	Group	<b>Trust</b>	Trust
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£000</b>	£000	<b>£000</b>	£000
Investment income on cash deposits	<b>507</b>	233	<b>104</b>	54
Interest received on loan to subsidiary	-	-	-	175
Net interest income on defined benefit pension assets/ interest charge on liabilities	<b>100</b>	100	<b>100</b>	100
	<b>607</b>	333	<b>204</b>	329

	<b>Group</b>	Group	<b>Trust</b>	Trust
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£000</b>	£000	<b>£000</b>	£000
Interest and charges payable on bank loans	<b>347</b>	1,012	<b>347</b>	1,012
	<b>347</b>	1,012	347	1,012

For further detail on the defined benefit pension scheme, please refer to note 21.

Interest and charges payable represent interest charged on the term loan and revolving credit facility and amortisation of arrangement fees which are spread over the life of the respective facilities. Further details of the borrowing facilities are given in note 18.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 7 Resources expended

						2025
	Direct costs	Central & HR	IT	Finance	Governance	Total
	£000	£000	£000	£000	£000	£000
<b>Raising funds:</b>						
Fundraising	42	-	-	-	-	42
Retail, catering, photographic	18,868	1,379	344	207	78	20,876
<b>Charitable activities:</b>						
Access	37,128	1,417	382	230	98	39,255
Presentation & interpretation	4,804	1,224	204	123	83	6,438
Exhibition & displays	1,667	368	51	31	26	2,143
Conservation	3,527	91	13	8	7	3,646
Custodial control	2,228	185	25	15	13	2,466
<b>TOTAL</b>	<b>68,264</b>	<b>4,664</b>	<b>1,019</b>	<b>614</b>	<b>305</b>	<b>74,866</b>
<b>2024</b>						
	Direct costs	Central & HR	IT	Finance	Governance	Total
	£000	£000	£000	£000	£000	£000
<b>Raising funds:</b>						
Fundraising	79	-	-	-	-	79
Retail, catering, photographic	21,380	1,329	219	181	78	23,187
<b>Charitable activities:</b>						
Access	31,916	1,355	242	201	94	33,808
Presentation & interpretation	4,474	1,016	130	107	71	5,798
Exhibition & displays	1,833	289	32	27	21	2,202
Conservation	3,015	72	8	7	5	3,107
Custodial control	2,008	144	16	13	11	2,192
<b>TOTAL</b>	<b>64,705</b>	<b>4,205</b>	<b>647</b>	<b>536</b>	<b>280</b>	<b>70,373</b>

Non-direct costs are allocated on the basis of estimated usage. For detail on governance costs, see note 9.

#### 8 Key management personnel, staff numbers and staff costs

The key management personnel of the group comprise the Trustees and the Management Board.

##### Trustees

None of the Trustees received any remuneration during the year in connection with their role as a Trustee of The Royal Collection Trust. The Trust paid liability insurance in respect of each Trustee at a cost of £322 per Trustee (2023/24: £290). None of the Trustees received reimbursed expenses (2023/24: nil).

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 8 Key management personnel, staff numbers and staff costs *(continued)*

##### Management Board

Key Management Personnel of the Group are the Trustees and Management Board. The Members of the Management Board are the Director of the Royal Collection, the Director of Finance and Corporate Services and the Director of Commercial Operations and Engagement.

The total payments to the Management Board during these periods were as follows:

	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>Total benefits</b>	<b>Pension contribution</b>	<b>Total benefits</b>	<b>Pension contribution</b>
		<i>(included in total benefits)</i>		<i>(included in total benefits)</i>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Management Board	<b>531</b>	<b>67</b>	500	61

Members of Management Board do not receive an expense allowance (but may be reimbursed for out-of-pocket expenses). The total remuneration of the Director of the Royal Collection was as follows:

	<b>Total remuneration</b>		<b>Salary</b>		<b>Pension</b>	
	<b>2025</b>	2024	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£000</b>	£000	<b>£000</b>	£000	<b>£000</b>	£000
Tim Knox	<b>181</b>	171	<b>157</b>	149	<b>24</b>	22

Pay and remuneration for key management personnel is determined on the same basis as that applied in relation to all roles, that is, a system of job evaluation and market intelligence relating to comparable external roles.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 8 Key management personnel, staff numbers and staff costs (continued)

The average monthly head count was 1,064 staff (2024: 923 staff). The average number of full-time equivalent (FTE) staff employed by the group or on permanent secondment from the Royal Household, analysed by category, was as set out below:

	Number of FTE employees	
	2025	2024
Care of the Royal Collection	89	78
Visitor experience	438	387
Central retail, publishing & communications	66	60
Management & support services	19	21
Royal Household shared services	77	69
	<u>689</u>	<u>615</u>

The aggregate payroll costs of these persons were as follows:

	2024/25	2023/24
	£000	£000
Wages and salaries	22,993	19,713
Social security costs	2,080	1,853
Other pension costs	3,049	2,766
	<u>28,122</u>	<u>24,332</u>

Included within wages and salaries is £nil of redundancy and severance payments (2024: £72,000).

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 8 Key management personnel, staff numbers and staff costs *(continued)*

The Charities SORP requires that the number of employees whose total employee benefits exceed £60,000 is disclosed in bands of £10,000.

The following table shows the number of employees whose benefits (excluding contributions made to a pension scheme) were in excess of £60,000. These include staff employed by the Group or directly funded by the Group (including the directors of Royal Collection Enterprises Limited).

	2024/25		2023/24	
	All staff	Management Board	All staff	Management Board
£60,001 - £70,000	6	-	2	-
£70,001 - £80,000	6	-	9	-
£80,001 - £90,000	5	-	5	-
£90,001 - £100,000	2	-	-	-
£120,001 - £130,000	1	1	-	-
£130,001 - £140,000	-	-	-	-
£140,001 - £150,000	1	1	3	3
£150,001 - £160,000	1	1	-	-
	<b>22</b>	<b>3</b>	<b>19</b>	<b>3</b>

No contributions to defined benefit pension schemes were made in respect of any members of staff (2023/24: nil).

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 9 Governance costs

	<b>Group</b>	Group	<b>Trust</b>	Trust
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£000</b>	£000	<b>£000</b>	£000
External audit	<b>101</b>	92	<b>60</b>	55
Internal audit	<b>86</b>	90	<b>21</b>	23
Allocated internal costs	<b>112</b>	94	<b>44</b>	26
Trustee expenses (see note 8)	<b>6</b>	4	<b>6</b>	4
	<b>305</b>	280	<b>131</b>	108

Trustee expenses are costs of Indemnity Insurance and Companies House fees.

#### 10 Deferred Income

Income is deferred where it is received in respect of events or transactions occurring in the future, including advance admission-ticket sales.

	<b>2025</b>	2024
	<b>£000</b>	£000
At 1 April	<b>3,245</b>	2,479
Income brought forward released during year	<b>(3,245)</b>	(2,479)
Income deferred during year	<b>3,356</b>	3,245
At 31 March	<b>3,356</b>	3,245

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 11 Intangible assets

	Software development	Pug Yard Access	Total
	£000	£000	£000
<b>Group</b>			
<b>Cost</b>			
At 1 April 2024	955	4,903	5,858
Additions	-	-	-
Disposals /write-off	-	-	-
<b>At 31 March 2025</b>	<b>955</b>	<b>4,903</b>	<b>5,858</b>
<b>Amortisation</b>			
At 1 April 2024	924	1,169	2,093
Charge for the year	11	197	208
<b>At 31 March 2025</b>	<b>935</b>	<b>1,366</b>	<b>2,301</b>
<b>Net book value</b>			
<b>At 31 March 2025</b>	<b>20</b>	<b>3,537</b>	<b>3,557</b>
At 31 March 2024	31	3,734	3,765
<b>Trust</b>			
<b>Cost</b>			
At 1 April 2024	702	4,903	5,605
Additions	-	-	-
Disposals /write-off	-	-	-
<b>At 31 March 2025</b>	<b>702</b>	<b>4,903</b>	<b>5,605</b>
<b>Amortisation</b>			
At 1 April 2024	702	1,169	1,871
Charge for the year	-	197	197
Disposals /write-off	-	-	-
<b>At 31 March 2025</b>	<b>702</b>	<b>1,366</b>	<b>2,068</b>
<b>Net book value</b>			
<b>At 31 March 2025</b>	<b>-</b>	<b>3,537</b>	<b>3,537</b>
At 31 March 2024	-	3,734	3,734

The intangible assets balance includes £3.5 million (2024: £3.7 million) in respect of a licence to use Pug Yard at Windsor Castle to construct a Learning Centre. The licence was granted to The Trust in return for funding the construction of Frogmore Workshops and was initially valued at the cost of construction. The licence is being amortised over the life of the new Learning Centre as the best estimate of the useful life of the licence, and at 31 March 2025 it has 18 years of amortisation remaining.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 12 Tangible fixed assets

	Building developments	Property improvement	Plant and machinery	Furniture, fittings and equipment	Assets in course of construction	Total
	£000	£000	£000	£000	£000	£000
<b>Group</b>						
<b>Cost</b>						
At 1 April 2024	45,765	11,436	7,507	7,699	147	72,554
Additions	-	291	72	640	136	1,139
Transfers	-	45	-	11	(56)	-
Disposals /write-off	-	(131)	(103)	(140)	(92)	(466)
<b>At 31 March 2025</b>	<b>45,765</b>	<b>11,641</b>	<b>7,476</b>	<b>8,210</b>	<b>135</b>	<b>73,227</b>
<b>Depreciation</b>						
At 1 April 2024	11,938	5,731	6,283	6,524	-	30,476
Charge for the year	1,144	934	267	795	-	3,140
Disposals /write-off	-	(123)	(103)	(140)	-	(366)
<b>At 31 March 2025</b>	<b>13,082</b>	<b>6,542</b>	<b>6,447</b>	<b>7,179</b>	<b>-</b>	<b>33,250</b>
<b>Net book value</b>						
<b>At 31 March 2025</b>	<b>32,683</b>	<b>5,099</b>	<b>1,029</b>	<b>1,031</b>	<b>135</b>	<b>39,977</b>
At 31 March 2024	33,827	5,705	1,224	1,175	147	42,078
<b>Trust</b>						
<b>Cost</b>						
At 1 April 2024	45,765	10,911	7,078	6,459	134	70,347
Additions	-	291	56	635	136	1,118
Transfers	-	45	-	-	(45)	-
Disposals /write-off	-	(6)	-	(29)	(89)	(124)
<b>At 31 March 2025</b>	<b>45,765</b>	<b>11,241</b>	<b>7,134</b>	<b>7,065</b>	<b>136</b>	<b>71,341</b>
<b>Depreciation</b>						
At 1 April 2024	11,938	5,420	5,984	5,478	-	28,820
Charge for the year	1,144	900	247	714	-	3,005
Disposals /write-off	-	(6)	-	(29)	-	(35)
<b>At 31 March 2025</b>	<b>13,082</b>	<b>6,314</b>	<b>6,231</b>	<b>6,163</b>	<b>-</b>	<b>31,790</b>
<b>Net book value</b>						
<b>At 31 March 2025</b>	<b>32,683</b>	<b>4,927</b>	<b>903</b>	<b>902</b>	<b>136</b>	<b>39,551</b>
At 31 March 2024	33,827	5,491	1,094	981	134	41,527

Assets in the course of construction relates to capital expenditure that has not yet met the criteria for recognition on the fixed asset register. These are assets that are not yet ready for use.

The net book value of intangible and tangible assets held at 31 March 2025 amounted to £43.5 million, of which £40.0 million was held for charitable activities and £3.6 million was held for trading activities.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 13 Fixed asset investments

On 31 March 1993 The Trust acquired all of the issued shares of Royal Collection Enterprises Limited for no consideration; the investment is shown in the balance sheet at market value, which in the opinion of the Trustees is nil as the undertakings of Royal Collection Enterprises Limited cannot be transferred to third parties. Furthermore, in the event of Royal Collection Enterprises Limited ceasing to trade, the Trustees estimate that the realisable value of that company's net assets would be nil.

Details of subsidiary undertaking:

	Country of registration or incorporation	Principal activity	Class and percentage of shares held
Royal Collection Enterprises Limited York House St James's Palace London SW1A 1BQ	England and Wales	Management of public access to the Official Residences of the Sovereign	Ordinary shares 100%

#### 14 Stock and work in progress

	Group 2025 £000	Group 2024 £000	Trust 2025 £000	Trust 2024 £000
Finished goods	5,491	3,975	-	-
Work in progress	1,074	961	-	-
	<u>6,565</u>	<u>4,936</u>	<u>-</u>	<u>-</u>

The increase in stock is primarily due to rebalancing inventory levels to ensure availability across the product range. Stock is stated net of a provision of £555,000 (2024: £627,000). The provision reflects the risk of not recovering the carrying value of specific stock items. Stock is valued using the FIFO method (first in, first out).

#### 15 Debtors

	Group 2025 £000	Group 2024 £000	Trust 2025 £000	Trust 2024 £000
Trade debtors	822	984	624	565
Amounts due from subsidiary	-	-	12,034	12,353
Other debtors	623	568	-	-
Prepayments and accrued income	636	1,190	389	588
	<u>2,081</u>	<u>2,742</u>	<u>13,047</u>	<u>13,506</u>

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 16 Movement in cash and net debt

	31 March 2024	Cash from operating & investing activities	Loan interest paid	Net loan drawdown/ (repayment)	31 March 2025
	£000	£000	£000	£000	£000
Cash at bank & in hand	3,696	15,779	(325 )	(7,500 )	11,650
Bank loans > 1 year	(7,500 )	-	-	7,500	-
<b>Net debt</b>	<b>(3,804 )</b>	<b>15,779</b>	<b>(325 )</b>	<b>-</b>	<b>11,650</b>

#### 17 Creditors: amounts falling due within one year

	Group 2025	Group 2024	Trust 2025	Trust 2024
	£000	£000	£000	£000
Trade creditors	2,715	2,340	939	1,279
Amounts due to subsidiary	-	-	793	9,352
Other creditors including taxation	23	28	-	-
Accruals and deferred income	6,222	6,303	475	672
	<b>8,960</b>	<b>8,671</b>	<b>2,207</b>	<b>11,303</b>

#### 18 Creditors due in more than one year

	Group 2025	Group 2024	Trust 2025	Trust 2024
	£000	£000	£000	£000
Loan	-	7,500	-	7,500
<i>Undrawn facility</i>	<b>15,000</b>	<b>7,500</b>	<b>15,000</b>	<b>7,500</b>

The loan facility is a revolving credit facility (RCF). Amounts drawn under the agreement are charged at an annual rate of 2.8% plus the bank base rate. Undrawn amounts incur a 1.4% per annum non-utilisation fee. The remaining facility can be drawn at any time by request from The Trust. Drawn funds can be returned to the bank without reducing the facility. The facility will end in March 2028, unless The Charity chooses to cancel part or all of the facility early.

The facility is subject to a covenant that tests liquidity at specified points. There have been no breaches of covenant during the year or subsequently, and the Charity expects to comply with the covenant for the full term of the loan facility.

# Royal Collection Trust

## NOTES (forming part of the Financial Statements)

### 19 Income Funds

	Restricted funds	Designated fund	Pension reserve	General funds	Total
Group	£000	£000	£000	£000	£000
At 1 April 2024	515	-	2,400	40,531	43,446
Incoming resources	59	3,020	100	86,755	89,934
Resources expended	(91)	-	-	(75,919)	(76,010)
Actuarial gain	-	-	1,300	-	1,300
<b>At 31 March 2025</b>	<b>483</b>	<b>3,020</b>	<b>3,800</b>	<b>51,367</b>	<b>58,670</b>

	Restricted funds	Designated fund	Pension reserve	General funds	Total
Group	£000	£000	£000	£000	£000
At 1 April 2023	562	-	2,700	28,399	31,661
Incoming resources	98	-	100	84,145	84,343
Resources expended	(145)	-	-	(72,013)	(72,158)
Actuarial loss	-	-	(400)	-	(400)
<b>At 31 March 2024</b>	<b>515</b>	<b>-</b>	<b>2,400</b>	<b>40,531</b>	<b>43,446</b>

	Restricted funds	Designated fund	Pension reserve	General funds	Total
Trust	£000	£000	£000	£000	£000
At 1 April 2024	515	-	2,400	40,052	42,967
Incoming resources	59	3,020	100	72,165	75,344
Resources expended	(91)	-	-	(61,237)	(61,328)
Actuarial gain	-	-	1,300	-	1,300
<b>At 31 March 2025</b>	<b>483</b>	<b>3,020</b>	<b>3,800</b>	<b>50,980</b>	<b>58,233</b>

	Restricted funds	Designated fund	Pension reserve	General funds	Total
Trust	£000	£000	£000	£000	£000
At 1 April 2023	562	-	2,700	27,899	31,161
Incoming resources	98	-	100	69,992	70,190
Resources expended	(145)	-	-	(57,839)	(57,984)
Actuarial loss	-	-	(400)	-	(400)
<b>At 31 March 2024</b>	<b>515</b>	<b>-</b>	<b>2,400</b>	<b>40,052</b>	<b>42,967</b>

The Designated fund consists of a £3.0 million insurance receipt. The receipt was recognised in unrestricted income in 2024/25. The settlement was in respect of snuff boxes while on loan to a third party. The funds have been designated for use to enhance the Royal Collection.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 19 Income Funds (continued)

Restricted funds:	Opening	Income	Expenditure	Closing
	Funds			Funds
	£000	£000	£000	£000
<b>Presentation and interpretation:</b>				
Publishing Supporters Fund	171	-	(28)	<b>143</b>
Learning Supporters Fund	27	39	(12)	<b>54</b>
Other restricted funds	20	-	-	<b>20</b>
	<u>218</u>	<u>39</u>	<u>(40)</u>	<u><b>217</b></u>
<b>Conservation:</b>				
Painting restoration, interns	33	20	(38)	<b>15</b>
<b>Exhibitions:</b>				
The King's Gallery, London	195	-	(9)	<b>186</b>
The King's Gallery, Edinburgh	69	-	(4)	<b>65</b>
	<u>264</u>	<u>-</u>	<u>(13)</u>	<u><b>251</b></u>
<b>Total restricted funds</b>	<u>515</u>	<u>59</u>	<u>(91)</u>	<u><b>483</b></u>

#### ***Presentation and Interpretation***

The Publishing Supporters Fund includes support for specific titles and funding for general publishing spend. The expenditure during the year has been incurred towards the publication on European Sculpture in the Royal Collection.

The Learning Supporters Fund represents donations in support of learning projects, both for specified purchases and general funding of learning programmes, and funding for subsidised travel for school trips to Royal Collection Trust sites.

The Conservation fund income during the year is a donation towards an internship in the Works of Art team. Expenditure during the year relates partly to this donation and the remainder was utilisation of the opening balance on this fund for the conservation of a painting by Giulio Romano.

Other restricted funds include funding towards digitisation of images and records of specific items within the Royal Collection.

#### ***Exhibitions***

These restricted funds were given to support capital works to the Galleries and are amortised over the economic life of capital assets at The King's Gallery in London and The King's Gallery, Edinburgh.

# Royal Collection Trust

## NOTES (forming part of the Financial Statements)

### 19 Income Funds (continued)

Assets representing funds:

<b>Group</b>	<b>Restricted funds</b>	<b>Designated funds</b>	<b>Pension reserve</b>	<b>General funds</b>	<b>Total 2025</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Intangible fixed assets	-	-	-	3,557	3,557
Tangible fixed assets	251	-	-	39,726	39,977
Current assets	232	3,020	-	17,044	20,296
Creditors due in < 1 year	-	-	-	(8,960)	(8,960)
Creditors due in > 1 year	-	-	-	-	-
Pension asset	-	-	3,800	-	3,800
<b>At 31 March 2025</b>	<b>483</b>	<b>3,020</b>	<b>3,800</b>	<b>51,367</b>	<b>58,670</b>

<b>Group</b>	<b>Restricted funds</b>	<b>Designated funds</b>	<b>Pension reserve</b>	<b>General funds</b>	<b>Total 2024</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Intangible fixed assets	-	-	-	3,765	3,765
Tangible fixed assets	264	-	-	41,814	42,078
Current assets	251	-	-	11,123	11,374
Creditors due in < 1 year	-	-	-	(8,671)	(8,671)
Creditors due in > 1 year	-	-	-	(7,500)	(7,500)
Pension asset	-	-	2,400	-	2,400
<b>At 31 March 2024</b>	<b>515</b>	<b>-</b>	<b>2,400</b>	<b>40,531</b>	<b>43,446</b>

<b>Trust</b>	<b>Restricted funds</b>	<b>Designated funds</b>	<b>Pension reserve</b>	<b>General funds</b>	<b>Total 2025</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Intangible fixed assets	-	-	-	3,537	3,537
Tangible fixed assets	251	-	-	39,300	39,551
Current assets	232	3,020	-	10,350	13,602
Creditors due in < 1 year	-	-	-	(2,207)	(2,207)
Creditors due in > 1 year	-	-	-	-	-
Pension asset	-	-	3,800	-	3,800
<b>At 31 March 2025</b>	<b>483</b>	<b>3,020</b>	<b>3,800</b>	<b>50,980</b>	<b>58,283</b>

<b>Trust</b>	<b>Restricted funds</b>	<b>Designated funds</b>	<b>Pension reserve</b>	<b>General funds</b>	<b>Total 2024</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Intangible fixed assets	-	-	-	3,734	3,734
Tangible fixed assets	264	-	-	41,263	41,527
Current assets, incl. loan to subsidia	251	-	-	13,858	14,109
Creditors due in < 1 year	-	-	-	(11,303)	(11,303)
Creditors due in > 1 year	-	-	-	(7,500)	(7,500)
Pension asset	-	-	2,400	-	2,400
<b>At 31 March 2024</b>	<b>515</b>	<b>-</b>	<b>2,400</b>	<b>40,052</b>	<b>42,967</b>

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 20 Commitments

Capital commitments at 31 March 2025 for which no provision has been made were as follows:

	<b>Group</b>	Group	<b>Trust</b>	Trust
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£000</b>	£000	<b>£000</b>	£000
Contracted	-	84	-	-
Authorised but not contracted	<b>2,600</b>	202	<b>2,600</b>	102
	<b>2,600</b>	286	<b>2,600</b>	102

Capital works approved not yet contracted include repairs to the roof at the main Collection store, upgrades to the security systems at London sites and internal refurbishment to the Kings Gallery, London.

#### Operating Lease Commitments

Total of future minimum lease payments at the end of the reporting period, for each of the following periods:

	<b>Group</b>	Group	<b>Trust</b>	Trust
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>£000</b>	£000	<b>£000</b>	£000
- within one year	<b>648</b>	604	<b>98</b>	94
- in the second to fifth year	<b>1,576</b>	1,718	<b>7</b>	2
- later than five years	<b>1,319</b>	1,661	-	-
	<b>3,543</b>	3,983	<b>105</b>	96

During 2023/24 Royal Collection Enterprises Limited entered into a lease for a new retail warehouse. The lease is for a minimum 10 year period ending in 2034 and this commitment is reflected in the note above. The lease has been assessed as an operating lease and rentals are charged to income and expenditure on a straight line based over the life of the lease.

#### 21 Pension schemes

The group participates in three pension schemes as follows:

- Scheme 1 The Royal Households Group Pension Scheme
- Scheme 2 The Royal Household Pension Scheme
- Scheme 3 The Royal Household Worksave (Mastertrust) Pension Scheme

Schemes 1 and 2 are closed to new members. Employees are entitled to be members of the Royal Household Worksave (Mastertrust) Pension Scheme. Details of the schemes are set out below.

Scheme 1 provides benefits based on final pensionable pay and is non-contributory for employees. The contributions for this scheme are determined by a qualified actuary, on the basis of triennial valuations. The most recent approved valuation of the scheme was carried out as at 31 December 2023.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 21 Pension schemes (continued)

It is the stated policy of the Trustees that the Charity's share of the assets and liabilities of Scheme 1 are to be recognised in the financial statements of The Royal Collection Trust.

Scheme 2 is managed by the Government and has terms by-analogy to the Principal Civil Service Pension Scheme. Eligible employees are those who were previously paid from the Civil List and are now paid by The Royal Collection Trust and who joined the Royal Household prior to 1 April 2001.

The scheme is an unfunded multi-employer defined benefit scheme in which Royal Collection Trust is unable to identify the share of the underlying assets and liabilities attributable to its employees and as permitted by FRS 102 this scheme will continue to be accounted for as if it were a defined contribution scheme.

The scheme actuary (Government Actuary's Department) valued the scheme as at 31 March 2019 and updates that valuation for International Accounting Standard 19: Employee Benefits (IAS19) annually. The total liabilities of the scheme at 31 March 2024 were £77.6 million (2023: £83.6 million). The liabilities at 31 March 2025 are not yet available but will be disclosed in the Consolidated Fund Account when it is published. Royal Collection Trust funds all or part of the employment costs of 7 of the 23 active members of the scheme as at 31 March 2025 (2024: 6 of 27 active members).

Pension contributions are paid directly to the Consolidated Fund and, in turn, pension benefits are paid directly from the Consolidated Fund as a Standing Service on a defined benefit basis. The contribution rate during the year was 21.1% of pensionable pay, reflecting a valuation by the Government Actuary's Department. The contribution rates reflect the cost of pension benefits as they are earned by employees.

Scheme 3 is administered by Legal and General and is non-contributory for employees. Benefits are based on contribution levels linked to investment returns over the period to retirement. A stakeholder plan was provided until July 2020, when it was replaced with the Royal Household Worksave (Mastertrust) Scheme. Employees can make additional contributions up to the HM Revenue & Customs' limits.

The total pension charge for the year was £3,049,000 (2023/24: £2,766,000).

Royal Collection Trust accounts for pension costs in accordance with FRS 102 which requires the following disclosures in respect of Royal Collection Trust's pension schemes:

# Royal Collection Trust

## NOTES (forming part of the Financial Statements)

### 21 Pension schemes (continued)

#### Scheme 1 – further details

Royal Collection Trust participates in a funded defined benefit pension plan, the Royal Households Group Pension Scheme – Royal Collection ('the Scheme').

The level of benefits provided by the Scheme depends on a member's length of service and their salary at their date of leaving the Scheme. Under the plan, employees are entitled to annual pensions on retirement at age 60 of 1/60 of final pensionable salary for each year of service up to 31 March 2007, then 1/70 for service up to 31 March 2019, then 1/90 for service from 1 April 2019. The scheme closed to future accrual with effect from 1 April 2021, however former active members still retain their link to salary increases. From 1 April 2021 members are enrolled in the Royal Household Defined Contribution Worksave (Mastertrust) Pension Scheme, unless they choose to opt out.

The last funding valuation of the Scheme was carried out by a qualified actuary as at 31 December 2023 and no regular contributions are due to be paid by Royal Collection Trust to the Scheme during the year to 31 March 2025 (year to 31 March 2024: £nil), other than administration expenses.

The results of the latest funding valuation at 31 December 2023 have been adjusted to the balance sheet date taking account of experience over the period since that date, changes in market conditions and differences in the financial and demographic assumptions and an allowance has been made for additional benefits due to GMP equalisation. The present value of the defined benefit obligation was measured using the Projected Unit Credit Method.

The principal assumptions used to calculate the liabilities under FRS 102 are as follows:

#### Financial assumptions

	<b>31 March 2025</b>	31 March 2024
	<b>% per annum</b>	% per annum
RPI inflation	<b>3.05</b>	3.10
CPI inflation	<b>2.45</b>	2.50
Rate of general long term increase in salaries	<b>3.95</b>	4.00
Pension increase (LRP15)	<b>2.90</b>	2.90
Discount rate for scheme liabilities	<b>5.75</b>	4.80

#### Demographic assumptions

	<b>31 March 2025</b>	31 March 2024
	<b>Years</b>	Years
Life expectancy for male currently aged 65	<b>21.3</b>	22.0
Life expectancy for a female currently aged 65	<b>23.4</b>	24.4
Life expectancy at 65 for male currently aged 45	<b>22.6</b>	23.3
Life expectancy at 65 for a female currently aged 45	<b>24.9</b>	25.8
Cash commutation	Members assumed to take their cash lump sum at retirement	

The mortality assumptions are based on the results of the most recent Scheme funding valuation and allow for expected future improvements in mortality rates.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 21 Pension schemes (continued)

##### Scheme assets

	31 March 2025		31 March 2024	
	£m	%	£m	%
Equities	7.9	36	8.7	38
Fixed interest gilts	3.7	17	4.1	18
Index-linked gilts	6.7	31	7.4	32
Property	1.2	5	2.4	10
Cash	2.4	11	0.4	2
	<b>21.9</b>	<b>100</b>	23.0	100

None of the Scheme assets are invested in the Trust's financial instruments or in property occupied by, or other assets used by, the Group. The assets of the Scheme are not segregated by employer and hence the split of the assets is determined in an approximate basis, by an independent actuary. In order to determine this approximate split, each quarter's asset split is rolled-forward allowing for those contributions and benefit payments linked to Royal Collection Trust.

##### Reconciliation of funded status to balance sheet

	31 March 2025	31 March 2024
	£m	£m
Fair value of assets	21.9	23.0
Present value of funded defined benefit obligations	(18.1)	(20.6)
Funded status	3.8	2.4
Unrecognised asset	-	-
Asset recognised on the balance sheet	3.8	2.4

When determining the asset recognised on the balance sheet, it has been assumed that The Royal Collection Trust would be able to recover the surplus through a refund from the Scheme in the future. This reflects the provisions of the Scheme's documentation.

##### Amounts recognised in net income

	31 March 2025	31 March 2024
	£m	£m
Interest income on net defined benefit assets	1.1	1.1
Interest charge on defined benefit liabilities	(1.0)	(1.0)
<b>Net credit included in 'investment income'</b>	<b>0.1</b>	<b>0.1</b>
Administration costs recognised in net income	0.1	0.1
<b>Net charge to net income</b>	<b>0.0</b>	<b>0.0</b>

#### 21 Pension schemes (continued)

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### Other recognised gains and losses

	31 March 2025	31 March 2024
	£m	£m
Losses on scheme assets during the year	(1.5)	(0.9)
Gains on scheme liabilities during the year	2.8	0.5
<b>Total other recognised gain/(loss)</b>	<b>1.3</b>	<b>(0.4)</b>

#### Changes to the valuation of the defined benefit obligation during the year

	31 March 2025	31 March 2024
	£m	£m
Obligation at the start of the year	20.6	20.8
Interest cost on defined benefit obligations	1.0	1.0
Actuarial gains on scheme liabilities	(2.8)	(0.5)
Administration expense	0.1	0.1
Net benefits paid out	(0.8)	(0.8)
Obligation at the end of the year	18.1	20.6

The Trustees of the Royal Households Group Pension scheme are assessing the consequences of Virgin Media Ltd vs NTL Pension Trustees court case. No adjustment has been made to the defined benefit obligation in response to this case as at 31 March 2025. This approach will be kept under review.

#### Changes to the fair value of scheme assets during the year

	31 March 2025	31 March 2024
	£m	£m
Fair value at the start of the year	23.0	23.5
Interest income on scheme assets	1.1	1.1
Losses on scheme assets	(1.5)	(0.9)
Contributions by the employer	0.1	0.1
Net benefits paid out	(0.8)	(0.8)
Fair value at the end of the year	21.9	23.0

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 21 Pension schemes (continued)

##### Estimated charge to net income for the next year

Using the assumption for the discount rate set out above, we estimate that the charge to the profit and loss account for the next financial year will be:

	£m
Administration cost	(0.1)
Net interest income	<u>0.2</u>
Net credit to net income	0.1

The actual amount to be charged to the profit and loss account for the next financial year might be different to that estimated above.

##### Sensitivity of the results to the key assumptions

The key assumptions used for FRS 102 are: discount rate, inflation and mortality. If different assumptions were used, this could have a material effect on the results disclosed. The sensitivity of the results to these assumptions is as follows.

		Plan assets	Obligation	Surplus/(deficit)
Following a 0.5% decrease in the discount rate	Change	0.0	1.1	(1.1)
	New value	21.9	19.2	2.7
Following a 0.5% increase in the inflation assumption (excluding salary increases)	Change	0.0	0.7	(0.7)
	New value	21.9	18.8	3.1
Following a 1-year increase in life expectancies	Change	0.0	0.7	(0.7)
	New value	21.9	18.8	3.1

The sensitivities to changes in assumptions have been expressed based on the expected impact that changes to assumptions would have on the defined benefit obligation based on the profile of the liabilities as at the last triennial valuation (31 December 2023) and are not sensitive to the Defined Benefit Obligation (DBO) quoted in the accounting results to changes in assumptions used to value the DBO as at 31 March 2025.

##### Scheme 2 – further details

Scheme 2 is a multi-employer scheme. Royal Collection Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and as permitted by FRS 102 the scheme has been accounted for by Royal Collection Trust as if the scheme was a defined contribution scheme.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 22 Related Party Transactions

Set out below are details of transactions during the year with related parties and with other entities which, whilst not related parties, it is deemed appropriate to disclose. The figures in italics represent the amounts due (to) or from related parties at the balance sheet date.

Related Party	2025 £000	2024 £000	Details of Transaction
Royal Household	<b>17,739</b> <b>(1,878)</b>	16,602 <i>(1,900)</i>	Charges to Royal Collection Trust (RCT) for various services including personnel, payroll, pensions administration, internal audit, records management, property maintenance services and IT services.
Royal Household	<b>71</b> -	95 9	Recovery from the Royal Household of costs incurred on behalf of the Royal Household.
Privy Purse Charitable Trust (PPCT)	<b>797</b> -	773 <i>(4)</i>	Donation to the PPCT in lieu of its right to charge for admission to Queen Mary's Dolls' House, (Windsor Castle) & contribution for publications relating to the Doll's House
St George's Chapel	<b>2,135</b> <b>11</b>	2,057 <i>(5)</i>	Payment to St George's Chapel in respect of admissions to St George's Chapel, Windsor Castle collected by Royal Collection Enterprises Limited (RCEL).
Privy Purse	<b>4</b> -	26 -	Sale of goods for resale to the Privy Purse; recharge of costs incurred by RCEL on behalf of the Privy Purse.
Privy Purse	- -	10 <i>(9)</i>	Payment to Privy Purse in respect of costs incurred on behalf of RCEL, and royalties payable by RCEL for use of Royal Farms milk and contributions to shared funds.
Historic Royal Palaces (HRP)	<b>49</b> -	66 <i>(20)</i>	Recovery of costs from HRP for maintenance, services and goods for resale purchased from RCEL.
Balmoral Estate	<b>11</b> -	8 -	Purchase by Balmoral Estate of RCEL goods for resale. recharge of costs incurred by RCT on behalf of Balmoral
Sandringham Estate	<b>12</b> <b>1</b>	45 -	Purchase by Sandringham Estate of RCEL goods for resale, recharge of costs incurred by RCT on behalf of Sandringham
Sandringham Estate	<b>15</b> -	15 -	Payment by RCT to Sandringham for use of storage space
Royal Household Staff Wellbeing Fund	<b>18</b> <b>(9)</b>	19 <i>(9)</i>	Contribution to the Fund for the benefit of employees of The Royal Household including Royal Collection Trust.
Royal Households Group Pension Scheme	<b>126</b> <b>(26)</b>	108 <i>(-)</i>	Administration costs for the defined benefit pension scheme.

Transactions are settled in cash. Transactions with key management personnel are disclosed in Note 8. None of the Trustees, directors or other related parties except as referred to above or as otherwise disclosed in the financial statements has undertaken any transactions with The Royal Collection Trust or Royal Collection Enterprises Limited during the year. The Company is exempt from the requirement to disclose the details of related party transactions with its subsidiary undertaking.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 23 Royal Collection Enterprises Limited

The Trust's wholly-owned subsidiary, Royal Collection Enterprises Limited (company number 2778486), has a paid up share capital of £2, and is incorporated in the UK. Audited accounts are filed with the Registrar of Companies and a summary of its trading results is shown below.

##### **Principal activities**

The principal activities of the company are the management of public access to the official residences of The King and the sale of merchandise. Taxable profits are Gift Aided in full under deed of covenant to the holding company, The Royal Collection Trust, a company limited by guarantee and registered as a charity.

##### **Business review**

The purpose of the company is to generate income for The Royal Collection Trust for the presentation, maintenance and conservation of the Royal Collection.

Income is raised from fees for the management of public access and shop sales at the official residences of The King.

In addition to the above, income is raised through off-site retail activities, catering operations at the Palace of Holyroodhouse, Windsor Castle and Buckingham Palace Summer Opening, and fees for reproducing images of items in the Royal Collection.

The Royal Collection Trust has responsibility for admitting visitors to the official residences of The King and the company acts as an agent of The Trust in managing the admission of visitors to the official residences.

## Royal Collection Trust

### NOTES (forming part of the Financial Statements)

#### 23 Royal Collection Enterprises Limited (continued)

##### Profit and Loss Account

for the year ended 31 March 2025

	2025	2024
	£000	£000
<b>Turnover</b>	<b>68,822</b>	70,861
Direct costs, including cost of sales	<b>(57,826)</b>	(54,280)
<b>Gross profit</b>	<b>10,996</b>	16,581
Administrative expenses	<b>(3,710)</b>	(3,526)
Donations payable	<b>(797)</b>	(773)
Other operating income	<b>139</b>	66
<b>Operating profit</b>	<b>6,628</b>	12,348
Interest payable	-	(175)
Interest receivable	<b>403</b>	179
<b>Profit for the financial year</b>	<b>7,031</b>	12,352

##### Balance Sheet

as at 31 March 2025

	2025	2024
	£000	£000
Fixed and current assets	<b>19,966</b>	19,547
Current and non-current liabilities	<b>(19,579)</b>	(19,068)
<b>Net assets and shareholder's funds</b>	<b>387</b>	479
<b>Reserves</b>		
At the beginning of the year	<b>479</b>	500
Profit for the year	<b>7,031</b>	12,352
Deed of covenant due to The Royal Collection Trust	<b>(7,123)</b>	(12,373)
Retained loss for the year	<b>(92)</b>	(21)
<b>At the end of the financial year</b>	<b>387</b>	479