Charity registration number 272108 (England and Wales)

THE CHESHIRE MILITARY MUSEUM

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026



xeinadin

THE CHESHIRE MILITARY MUSEUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees'	Professor H O'Sullivan BSc MBA Lt Col Richard Sernberg Brigadier Benjamin Wilde (Chairman) Colonel H W Williams Major M E Hockedy Mr J B Etherington Mr N Glazebrook Mr R Forde-Johnston
Charity number (England and Wales)	272108
Principal address	Regimental Headquarters The Mercian Regiment The Castle Chester Cheshire CH1 2DN
Independent examiner	Xeinadin North West Limited First Floor, The Foundation Herons Way Chester Business Park Chester Cheshire CH4 9GB

THE CHESHIRE MILITARY MUSEUM

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 14

THE CHESHIRE MILITARY MUSEUM

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2026

The trustees' present their annual report and financial statements for the year ended 31 March 2026.

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

Objectives and activities

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

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

Achievements and performance

A number of small temporary exhibitions ran alongside the main exhibition. These being an exhibition about the war in Ukraine and an exhibition focussing on animals in war.

Links with local schools and youth organisations continue with a number of educational visits hosted by the staff. Business and veteran groups have also had private viewings in the museum.

The museum continues to be supported by a large group of volunteers who provide support in many areas. These include manning the entry desk, research, refurbishment of items and general support to our 3 part-time employees.

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

The friends of the museum continue to give us a great deal of support. They continue to support financially the cost of the temporary displays, the website and general advertising.

Finally we have continued the long process of setting up a new Incorporated charity which will allow us more freedom to continue with the same aims as the present charity in the future. The transfer of all assets will take place at the end of the financial year 2026/27.

Financial review

The charity had income for the year of £126,340 and expenditure of £93,885. As a result there was an annual surplus of £32,455 (2025 - surplus £21,547). The balance sheet shows fixed assets of £150,451, and net current assets of £306,764, giving total net assets of £457,215

At 31 March 2026 restricted funds were £nil and unrestricted funds £457,215.

Reserves policy

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

Investment policy and objectives
The trustees have the power to make investments as they see fit.

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

Plans for future periods
At present we are focussing on the completion of the transfer of all assets to the new CIO Charity which will start trading on 01 April 2027. The Museum Friends have a number of special events planned for the future and further attempts to improve marketing continue to be investigated. The trustees are also undertaking work to secure the future of the museum and the necessary funding streams.

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

The trustees' who served during the year and up to the date of signature of the financial statements were:
Professor H O'Sullivan BSc MBA
Lt Col Richard Sernberg
Brigadier Benjamin Wilde (Chairman)
Colonel H W Williams
Major M E Hockedy
Mr J B Etherington
Mr N Glazebrook
Mr R Forde-Johnston

Recruitment and appointment of trustees
Trustees are recruited by the board of trustees. They receive training as appropriate.

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

Mark Hockedy

M E Hockedy

28 September 2026

THE CHESHIRE MILITARY MUSEUM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES' OF THE CHESHIRE MILITARY MUSEUM

I report to the trustees' on my examination of the financial statements of The Cheshire Military Museum (the charity) for the year ended 31 March 2026.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

1 accounting records were not kept in respect of the charity as required by section 130 of the Charities Act 2011.

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination.

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



Xeinadin North West Limited
First Floor, The Foundation
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Chester Business Park
Chester
Cheshire
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Date: .....

THE CHESHIRE MILITARY MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £
Income and endowments from:					
Donations and legacies	**2**	54,866	25,674	80,540	58,846
Charitable activities	**3**	32,756	-	32,756	36,318
Other trading activities	**4**	11,373	-	11,373	19,700
Investments	**5**	1,671	-	1,671	2,965
Other income	**6**	-	-	-	3,522
Total income		100,666	25,674	126,340	121,351
Expenditure on:					
Raising funds	**7**	6,574	-	6,574	15,118
Charitable activities	**8**	61,757	25,674	87,431	84,686
Total expenditure		68,331	25,674	94,005	99,804
Net income and movement in funds		32,335	-	32,335	21,547
Reconciliation of funds:					
Fund balances at 1 April 2025		424,760	-	424,760	403,213
Fund balances at 31 March 2026		457,095	-	457,095	424,760

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

All income and expenditure derive from continuing activities.

THE CHESHIRE MILITARY MUSEUM

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	**13**		150,451		151,745
Current assets					
Stocks	**14**	5,728		8,767	
Debtors	**15**	8,950		401	
Cash at bank and in hand		297,276		267,593	
		311,954		276,761	
Creditors: amounts falling due within one year	**16**	(5,310)		(3,746)	
Net current assets			306,644		273,015
Total assets less current liabilities			457,095		424,760
The funds of the charity					
Unrestricted funds	**18**		457,095		424,760
			457,095		424,760

The financial statements were approved by the trustees' on 28 September 2026

THE CHESHIRE MILITARY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

Charity information

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

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

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

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

1.2 Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees' continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

1.4 Income

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

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

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

1 Accounting policies **(Continued)**

1.5 Expenditure

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

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

1.6 Tangible fixed assets

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

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

Appeal Property Improvements	in accordance with the property

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

1.7 Stocks

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

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

Basic financial assets

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

1 Accounting policies **(Continued)**

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

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

2 Income from donations and legacies

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Donations and gifts	54,866	-	54,866	34,118	-	34,118
Other	-	25,674	25,674	24,728	-	24,728
	54,866	25,674	80,540	58,846	-	58,846

3 Income from charitable activities

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Charitable activities		
Education/school visits	1,532	1,652
Research	1,355	1,505
Subscriptions - friends	10,519	13,994
Admissions	19,350	19,167
	32,756	36,318

4 Income from other trading activities

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Shop income	11,373	19,700

5 Income from investments

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Bank Interest	1,671	2,965

6 Other income

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Other income	-	3,522

7 Expenditure on raising funds

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Trading costs		
Merchandise	6,574	15,118

8 Expenditure on charitable activities

	Charitable activities 2026 £	Charitable activities 2025 £
Direct costs		
Staff costs	59,312	58,312
Depreciation and impairment	1,294	1,294
Volunteers allowance	3,800	4,376
Friends - office costs	1,069	715
Display, exhibition and marketing	9,173	8,767
Insurance	2,935	2,814
	77,583	76,278
Share of support and governance costs (see note 9)		
Support	8,408	6,013
Governance	1,440	2,395
	87,431	84,686
Analysis by fund		
Unrestricted funds	61,757	84,686
Restricted funds	25,674	-
	87,431	84,686

9 Support costs allocated to activities

	2026	2025
	£	£
Postage and stationery	1,747	3,157
Office expenses	3,591	3,209
Sundries	47	4
Training and education	1,448	471
Subsciptions	1,575	367
Governance costs	1,440	1,200
	9,848	8,408
Analysed between:		
Charitable activities	9,848	8,408

Governance costs comprise:	2026 £	2025 £
Audit fees	1,440	1,200
	1,440	1,200

10 Net movement in funds

	2026	2025
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	1,440	1,200
Depreciation of owned tangible fixed assets	1,294	1,294

11 Trustees'

None of the trustees' (or any persons connected with them) received any remuneration or benefits from the charity during the year. Trustees expenses totalled £nil (2025: £nil).

12 Employees

The average monthly number of employees during the year was:

	2026	2025
	Number	Number
	3	3

12 Employees **(Continued)**

Employment costs	2026	2025
	£	£
Wages and salaries	51,586	52,683
Social security costs	6,528	4,249
Other pension costs	1,198	1,380
	59,312	58,312

The key management personnel of the Charity comprise the Trustees. The total employee benefits of the key management personnel of the Museum were £nil (2025: £nil).

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

13 Tangible fixed assets

	Appeal Property Improvements
	£
Cost	
At 1 April 2025	487,867
At 31 March 2026	487,867
Depreciation and impairment	
At 1 April 2025	336,122
Depreciation charged in the year	1,294
At 31 March 2026	337,416
Carrying amount	
At 31 March 2026	150,451
At 31 March 2025	151,745

All fixed assets are used for charitable purposes.

14 Stocks

	2026	2025
	£	£
Stocks	5,728	8,767

15 Debtors

	2026	2025
Amounts falling due within one year:	**£**	**£**
Trade debtors	548	401
Other debtors	8,402	-
	8,950	401

16 Creditors: amounts falling due within one year

	2026	2025
	£	**£**
Other taxation and social security	3,164	2,118
Trade creditors	252	279
Other creditors	454	249
Accruals and deferred income	1,440	1,100
	5,310	3,746

17 Restricted funds

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

	At 1 April 2025	Incoming resources	Resources expended	At 31 March 2026
	£	**£**	**£**	**£**
Employee remuneration	-	25,674	(25,674)	-

The income from restricted funds was £25,674 in the year for employee remuneration and £25,674 was spent on staff remuneration in the year.

18 Unrestricted funds

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

	At 1 April 2025	Incoming resources	Resources expended	At 31 March 2026
	£	**£**	**£**	**£**
General funds	424,760	100,666	(68,331)	457,095

18 Unrestricted funds **(Continued)**

Previous year:	At 1 April 2024	Incoming resources	Resources expended	At 31 March 2025
	£	£	£	£
General funds	403,213	121,351	(99,804)	424,760

19 Related party transactions

There were no disclosable related party transactions during the year (2025 - none).