# THE MERCIAN REGIMENT MUSEUM (WORCESTERSHIRE)
# (REGISTERED CHARITY NO: 276510)

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2025

MERCIAN REGIMENT MUSEUM (worcestershire)

Registered Charity No. 276510

THE MERCIAN REGIMENT MUSEUM (WORCESTERSHIRE)

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## THE MERCIAN REGIMENT MUSEUM (WORCESTERSHIRE)

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2025

| | |
|---|---|
| **Trustees** | Russell Walker, Trustee<br>Tim Fisher, Trustee<br>Mike Green, Secretary<br>Mark Jackson, Chairman<br>Darrell Rivers, Trustee<br>Hugh Richards, Trustee<br>Andrew Wadland, Trustee<br>Helen Miles, Treasurer<br>David James, Trustee (appointed 3rd March 2025 ) |
| **Charity registered number** | 276510 |
| **Principal office** | Dancox House Army Reserve Centre<br>Pheasant Street<br>Worcester<br>Worcestershire<br>WR1 2EE |
| **Accountants** | D C Boorn & Co<br>88 Cowleigh Road<br>Malvern<br>Worcestershire<br>WR14 1QW |
| **Bankers** | CAF Bank<br>Kings Hill<br>West Malling<br>Kent<br>ME19 4TA |
| **Investment Managers** | Hawksmoor Investment Management Ltd<br>Unit 7<br>Top Barn Business Centre<br>Holt Heath<br>Worcester<br>WR6 6NH |

## TRUSTEES' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report together with the financial statements of Mercian Regiment Museum (Worcestershire) (the charity) for the year ended 31 December 2025. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the Charities SORP (FRS 102), second edition, effective from 2019.

### INTRODUCTION

The Museum is constituted by Deed of Trust dated May 1978 . The office, archives and collection are housed in a MOD building. The Ministry of Defence (MOD) withdrew its annual Grant In Aid £20,000 in 2017. The Mercian Regiment Charity replaced this with an annual grant of £20,000 until 31 March 2022, while undertaking a strategic review of its heritage and four museums. The MOD funding for the four antecedent Regiments' museums will be reduced to a single grant of £20,000 for a Mercian Regiment Museum by 2030, or earlier if funding is further reduced.

- Until August 2025, the Museum maintained a permanent display in Worcester City Art Gallery & Museum. Worcester Museums and Worcester City Council formally notified the Museum that when its current lease terminated in 2026 it should vacate the space its display occupied in the City's Museum and Art Gallery. It offered alternative accommodation and a new lease in the listed Commandery building for a new display. This will create a single museum encompassing the social and military history of the Civil War and the Regiment from 1642 to today. In September 2025, the Regimental Museum display was removed from the City Museum using a development grant from the National Lottery Heritage Fund and placed in storage pending installation of new galleries at The Commandery. The new displays will open in February 2028.

- At the termination of its annual Grant in Aid the Mercian Regiment gave the Museum a one off grant of £100,000 to help finance the new display in the Commandery and thus ensure the Museum's continued existence.

### PURPOSE

The Museum exists to collect and preserve the history, traditions and achievements of the Regiment, its antecedent components and those who have served or are serving in it from 1694 to the present day and to present them in a way which entertains, educates and inspires as wide a range of visitors as possible.

### OBJECTIVES AND ACTIVITIES

### POLICIES AND OBJECTIVES

The Trust's overall objectives are set out in the Trust Deed May 1978 and in the following policies approved by the Trustees:

- Forward Plan (approved 2020)
- Financial policy (revised 2025)
- Investment policy (reviewed 2025)
- Care and Conservation (revised 2019)

As a museum governing body, the Trust's activities are also guided by the requirements of the Arts Council England Accreditation Scheme. The Museum re-applied for, and was granted, accreditation in May 2018.

## TRUSTEES' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2025

### Vision

The Trustees' vision for the future is that the Museum should be recognised as an inclusive and progressive institution that contributes to the cultural offering of Worcestershire, capitalises on the strengths of its collection and modern technology to reach out and provide an experience for visitors and users that excites, inspires and educates and which generates sufficient income for the Museum to develop and flourish.

### Key Aims

1. To ensure that the Museum remains financially sound and well managed by a strong body of Trustees supported by a professionally qualified curator.
2. To manage and care for the collections to acknowledged professional standards.
3. To maintain stimulating and high quality permanent and temporary displays in Worcestershire that will provide activities and events for the enjoyment and education of visitors, schools and others.
4. To create a marketing and promotion programme and develop advocacy for long term stability.
5. To ensure that the collection remains relevant to the Regiment and valued by the public so that long-term sustainability of the Museum is secure.
6. To maintain a high standard of customer service and guardianship in keeping with museum's core values and accredited museum standards.

### Objectives

1. Secure the financial future of the Museum post-2021.
2. Develop a sustainable long-term staffing/volunteer structure.
3. Continue updating the catalogue and digitising the collections.
4. Develop and implement a phased conservation programme.
5. Expand the offer to schools/colleges.
6. Implement the collections policy that actively targets post-1945 conflicts.
7. Promote wider public awareness of and access to the collection.
8. Identify other spaces in Worcestershire for the display of the collection.
9. Maintain and improve rating under the VAQAS Scheme in 2015.
10. Raise the Museum's profile and increase and diversify our visitors and users and stakeholder support.
11. Bring displays up to present day incorporating material on Iraq and Afghanistan.
12. Fundraising.
13. Expand the appeal of the Friends of the Museum to increase membership and activity.

### ACTIVITIES FOR ACHIEVING OBJECTIVES

The Trust operates a Museum for the public benefit. Until August 2025, its permanent display was housed in the City Museum and Art Gallery and known as the Worcestershire Soldier Gallery. It was open six days a week and attracted approximately 17,910 visitors annually. Comments in the visitors' book continued to be overwhelmingly complimentary. Following the closure of the gallery, the Museum continues to maintain the collection and make it accessible through temporary displays and online content including videos and blogs. The Museum pursues an educational policy and provides educational projects and opportunities for scholars of all ages from Primary school to university students. We achieve this through partnership with a number of local educational institutions including the University of Worcester.

## TRUSTEES' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2025

### PUBLIC BENEFIT

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities to undertake. The Museum provides public benefit (benefit to the public at large) by:

- Educating the public about the character, activities and history of the British Army, and in particular its County Regiment.
- Commemorating and remembering those who have lost their lives or suffered injury or put themselves at risk of loss of life or injury, in service of the public.
- Strengthening the link between the military and civilian communities, in particular assisting with recruiting the soldiers of the future.
- Assisting Service personnel more effectively to perform their military duties.

It achieves this by recording the deeds of their forbears, thereby helping to inculcate the ethos and esprit de corps which generates the fighting spirit necessary for successful operations. As a result, the Museum promotes the efficiency of the Armed Forces of the Crown by enhancing the British Army's capability to undertake the roles demanded of it, including the defence of the United Kingdom and its interests.

### ACHIEVEMENTS AND PERFORMANCE

### REVIEW OF ACTIVITIES

**Education:**

The Trustees supported the Learning and Access Officer at the City Museum in the teaching of History to key stage 1, 2, 3 and 4. Educational resources for teachers to download have been placed on the Museum's website. In 2025, 312 pupils and students in groups visited the Museum. The Trustees gave a range of educational talks to local community groups.

**Displays:**

In 2025, temporary displays were installed in the Army Reserve Centre in Worcester for the 80th anniversaries of VE Day and VJ Day respectively. The Museum's temporary exhibition on the Glorious 1st of June was taken to Regimental Reunion in Worcester. A temporary display of items relating to the Sikh Wars was displayed at The Commandery in June 2025. In August, the Museum's painting of the Battle of Gheluvelt by J P Beadle was loaned to Worcester City Council and installed in the Guildhall where it can continue to be enjoyed by the public. A narrated video of the Worcestershire Soldier Gallery was recorded prior to the deinstallation of the permanent displays in September 2025 and made available on the Museum's website and on YouTube. On deinstallation, all items from the Worcestershire Soldier display were photographed to facilitate access during the gallery closure. Content was developed for new displays at The Commandery, with designs developed to RIBA stage 3.

**Research:**

30 research enquiries were processed by the Museum in 2025.

**Accreditation Update:**

The Museum was awarded full accreditation on 10th May 2018. The Museum entered Provisional Accreditation on the closure of its public displays. This is a support measure for the duration of the redevelopment. A full accreditation return will be completed once new displays open to the public.

**Acquisitions and objects catalogued and packed:**

In 2025, the Museum made 26 new acquisitions including:

- 1917 Diary of Captain Samuel Bannister 4th Battalion Worcestershire Regiment, killed in action in 1917. From Cora Weaver.
- Medals of Private Henry Hulme, who served with the Mounted Infantry in South Africa, mounted on hand-carved plaque with horseshoe motif and 29th Regiment badge. From Stella Evans.
- Medals of Private Cyril J Love, who died of wounds while serving with 4th Battalion Worcestershire Regiment in Gallipoli. Presented with two letters to his parents in Worcester, dated 1915. From Nick Thompson.
- Medals of RQMA, later QM and Capt. William J Jones MC of 1st Volunteer Battalion and 7th Battalion Worcestershire Regiment. From the estate of Ian Humphries.

The Museum undertook a major repacking exercise to facilitate the relocation of the entire Worcestershire Soldier display comprising some 1,035 objects back into storage. All items were cleaned, labelled and packed in archive-grade materials and the museum's store was reconfigured to accommodate items returning.

**Projects**

Throughout 2025 the museum staff and volunteers have been focused almost entirely on the Worcestershire Soldier at the Commandery Project (WSG).

On the 5th January 2024 the National Lottery Heritage Fund formally offered the museum as grantee for the WSG project a Development Grant of up to £243,200. (This is 72% of the total approved Development work costs of £338,100).

The Approved Purposes are set out below:

1. Undertake other activities and produce any other documentation as required for the Delivery Phase application.
2. Appoint Exhibition Designer to use consultation to develop plan, designs, and interpretation for exhibition across four galleries.
3. Appoint consultant to undertake conservation survey of both collections and produce 25-year Collection Care Plan for each trust.
4. Review and recruit relevant staff and consultants for implementation of the Development Phase.
5. De-install and store current exhibition.
6. Appoint oral history consultant to collect stories about National Service and the regiments and produce an oral history archive with existing and new recordings.
7. Take proactive measures to be inclusive, remove barriers to access and reach new and diverse audiences, including during development of the Activity Plan.
8. Continue digitisation of collection.
9. Undertake consultation, piloting, and development of partnerships to produce Activity Plan.

All approved purposes were completed in November 2025. The Museum submitted an application for a Delivery grant from The National Lottery Heritage Fund to complete the project on the 12th November 2025.

Key actions undertaken on the project in 2025 were:

- Public and stakeholder consultation completed by consultants Haley Sharpe and plan developed for future activities at The Commandery.
- Pilot public event hosted by museum staff at The Commandery on Sikh Heritage in collaboration with The Sikh Museum initiative.
- Curatorial content development undertaken for new displays at The Commandery.
- Conservation survey of collection completed by consultants Spencer & Fry which identified key priorities for remedial work.
- Oral History project completed, led by consultant Emma Golby-Kirk. The project produced 19 new recordings of veterans and others associated with the Regiment and recorded the memories of National Service Soldiers who are the Regiment's oldest living veterans.
- Gallery walk-through video and spotlight films made of museum displays prior to deinstallation.
- Deinstallation of museum display undertaken by museum staff and volunteers, including cleaning, photography and packing of all objects in the Worcestershire Soldier Gallery at the City

**Website and Facebook:**

The museum has continued to publish blogs on the website relating to Regimental history, battles and battle honours and other major events. Educational content on Regimental occasions and stories were shared via social media throughout the year.

**Review of the Forward Plan**:

The Trustees formally approved a new plan to cover the period 2020 to 2025 in March 2020.

## TRUSTEES' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2025

### INVESTMENT POLICY AND PERFORMANCE

In 2019 the Trustees approved The Mercian Regiment Museum (Worcestershire) Investment policy

- The purpose of Museum's capital and cash reserves are to:
  a. Provide an Endowment Fund that provides a steady source of income to enable the employment of a Curator, maintenance of the museum and its services, its accessions and displays, and their further development.
  b. Enable the acquisition of accessions as deemed appropriate by the Trustees
  c. Provide reserves in the event of a downturn in funds from other sources.
  d. In future, any balance outstanding, and any future surplus, will be transferred to the Reserves for investment.
- This policy conforms to Clauses 7, 8 and 12 of the Charity's Trust deeds approved in April 2012.
- There shall be an Investment Committee, which shall meet at a minimum twice yearly. It shall comprise:
  a. The Chairman of the Board of Trustees.
  b. The Honorary Treasurer
  c. A representative of the Investment Manager Company (in an advisory capacity)
- The objectives of the invested reserves are to:
  a. Maintain sufficient funds in easily accessible sources to cover up to 6 months' operating costs.
  b. Deliver a minimum income of £30,000 p.a.
  c. Maximise the value of the portfolio in real terms by obtaining a balanced return between income and capital.
  d. Accumulate an additional reserve that can be used for further capital development, large scale maintenance or refurbishment.
- The investments should be at the lower level of Moderate Risk, with a low correlation to equities.
- The Museum has no ethical considerations that would restrict investment options.
- There shall be an annual agreement signed between the Manager and the Investment Committee.
- The Investment performance shall be benchmarked using the relevant ARC (Asset Risk Consultants) Index and UK Consumer Price Index, subject to change at the Investment Manger's discretion should a more suitable measure(s) be identified.
- The Investment Manager shall transfer the investment income to the Museum's General Account by the third Friday of March, June, September and December each year.
- There should be an investment report included on the Agenda of the Quarterly Trustees' meetings.

## TRUSTEES' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2025

### FINANCIAL REVIEW

### GOING CONCERN

The Trustees have considered the financial position of the Museum, its projected income and expenditure, its investment portfolio and cash reserves, together with its plans for the development of the new gallery at The Commandery. The Trustees have also considered the ongoing fundraising and grant applications supporting the project.

The Museum has sufficient financial resources and reserves to meet its foreseeable operating commitments. The Trustees have also considered the planned transfer of the assets and activities of The Mercian Regiment Museum (Worcestershire) to The Worcestershire Regiments Museum Trust, the new Charitable Incorporated Organisation registered on 29 July 2026 (charity number 1219054). The transfer is expected to take place in early 2027.

After making appropriate enquiries, the Trustees have a reasonable expectation that the Museum has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis are set out in the accounting policies.

### RESERVES POLICY

The investments portfolio constitutes the reserves of the Charity into an Endowment Fund with one of its purposes being to generate income towards the salaries of the professional Curator and the Collections Manager. The Trust should maintain 6 months of operating costs as a minimum reserve.

The Museum is implementing a new Strategy to enable substantially greater public access to the collection displayed in the gallery, and that to ensure easier accessibility via digital means. The first part is a joint project recently underway with Museums Worcestershire, Worcester City Council and the Worcestershire Yeomanry Trust to create a new display gallery in The Commandery, an existing historic building in the heritage quarter of the City. The Museum Trustees have formally set up a Designated Fund from Reserves of up to £150,000 towards the costs of removal, installation, and new display cases.

### PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees have considered the principal risks and uncertainties facing the charity. The key risks identified are:

- Funding risk - failure to secure sufficient fundraising and grant income for the new display at the Commandery.
- Operational risk - dependency on a small number of staff and volunteers; risk mitigated through succession planning and volunteer recruitment
- Investment risk - volatility in financial markets may reduce investment income; mitigated through diversification and oversight by the Investment Committee.
- Reputational risk - maintaining public engagement and relevance; addressed through educational programmes, social media and collaboration with Museums Worcestershire.
- Project risk - delay or cost escalation in delivery of the Commandery galleries could affect the timing of the Museum's return to public exhibition and increase funding requirements. Mitigation includes project goverance, professional consultants, staged approvals, fundraising and regular monitoring of project costs.

## TRUSTEES' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2025

### YEARLY REVIEW

In the year ended 31 December 2025 we incurred a surplus of £11,724 *(2024: £32,708)* . This surplus (loss) is built up of an unrealised gain/(loss) on the investment portfolio of £80,525 *(2024: £13,570).*

Total funds available as at 31 December 2025 stand at £895,173 (*2024: £883,449* ), of which the majority is designated for sustainability of the charity and conservation of the collection with some restricted funds for the Friends, Grants received for specific projects and £100,000 allocated for the future Worcestershire Soldier gallery at the Commandery. The charity holds an investment portfolio, as detailed above, which is used to generate income to help fund the running of the charity and in particular staff costs, which was valued as at 31 December 2025 £831,776 (*2024: £771,251* ). The bank current account of £63,397 *(2024: £105,167)* is sufficient to meet the day to day operational needs of the charity. The board is comfortable with the level of reserves at the year end.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

### CONSTITUTION

The Museum is constituted by Deed of Trust dated May 1978. The Trust Deed as amended by Resolution of 16th April 2013 provides for four ex-officio and between four and seven individual Trustees. There are currently eight Trustees.

### METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

- The Governing Document ("GD") of the Trust is the Deed executed on 10 May 1978 ("the Deed") as amended by resolution of the Trustees at a meeting on 16 April 2012.

- The Deed currently provides for 4 to 7 individual trustees and 2 to 4 ex-officio trustees. However, there must always be a majority of individual trustees so long as there are individuals willing to serve.
- The number of individual trustees can be varied using the 'statutory power'. The provisions as to ex-officio trustees are governed by Clause 15 of the Deed.
- The ex-officio trustees are:
  a. The Colonel of The Worcestershire and Sherwood Foresters Regiment or its successor. The Deed does not permit amendment of this provision. The Colonel of the Mercian Regiment has stated that he would prefer to be able to nominate someone in his place.

  b. Up to two serving or retired officers who may be nominated by Dep Col MERCIAN. Of the current trustees Jackson, Richards, Wadland and Fisher would be available to be so nominated, with Jackson and Richards elected as Chairman and Vice Chairman respectively. Fisher has been appointed as an ex-officio trustee.

- The Board comprises individual Trustees appointed in accordance with the provisions of the Trust Deed together with ex-officio Trustees. The Trustees bring a range of experience and expertise relevant to the governance and operation of the Museum, including military history, museum management, finance and fundraising.

- The Board keeps its composition and skills under review and is actively seeking to broaden the diversity, equality and inclusivity of its membership.
- The Trustees are provided with appropriate information and guidance to enable them to fulfil their responsibilities and are encouraged to undertake relevant training and development as required.

## ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Trustees are responsible for providing the strategic direction for the museum, approving its budget and Forward Plan. Day to day management of the museum and its affairs is delegated to the Curator, who is directly responsible to the Board of Trustees and is line managed by the Chairman. The Curator is guided in this work by a Finance Policy (approved by the Trustees July 2019) and a Five Year Forward Plan (Approved by the Trustees December 2019). Dr John Paddock was appointed in January 2013 to the post of Curator and is full time. In May 2022, Dr Helen Hunter was recruited as the Museum Collections Manager and is full time.

## PLANS FOR FUTURE PERIODS

### FUTURE DEVELOPMENTS

The Museum's main effort is the creation of the new display at The Commandery. This is a detailed, complicated project and delivery is expected to cost circa £1,300,000. This will be found from the Grant from the Mercian Regiment Charity (£100,000), a grant from the Yeomanry Trust (£5,000) and a National Lottery Heritage Fund Delivery Grant Applications. In addition the Trustees of the two Trusts have run a public Capital Appeal. By the end of 2025 £89,970 had been raised from private donations from individuals, businesses, foundations and trusts of a target of £100,000.

To grow the portfolio sufficiently that it will be able to generate sufficient income to cover the Curator's and the Collection Manager's salaries. The Museum's financial strategy has two strands:

- To increase its annual revenue income from diverse sources in order to be financially sustainable in future years.
- In partnership with the Worcestershire Yeomanry Trust achieve their target of £100,000 from the Capital Appeal for the new display in The Commandery.

### POST-YEAR-END DEVELOPMENT

At an EGM held on 19 June 2025, the Trustees agreed to apply to the Charity Commission to convert The Mercian Regiment Museum (Worcestershire) to a Charitable Incorporated Organisation (CIO). The application was granted on 29 July 2026, and the new CIO, The Worcestershire Regiments Museum Trust (charity number 1219054), was registered. All assets of The Mercian Regiment Museum (Worcestershire) will be transferred to the new charity. The date of transfer has yet to be confirmed but is expected to be in early 2027.

## TRUSTEES' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2025

### TRUSTEES' RESPONSIBILITIES STATEMENT

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 28th October 2026 and signed on their behalf by:

Mark Jackson, Chairman

## INDEPENDENT EXAMINER'S REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2025

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MERCIAN REGIMENT MUSEUM (WORCESTERSHIRE)

I report on the financial statements of the charity for the year ended 31 December 2024 which are set out on pages 15 to 25.

This report is made solely to the charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

The financial statements have been prepared in accordance with Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the Charities SORP (FRS102), second edition, effective from 2019.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on the after 1 January 2015.

### RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

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

It is my responsibility to:

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

### BASIS OF INDEPENDENT EXAMINER'S REPORT

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

## THE MERCIAN REGIMENT MUSEUM (WORCESTERSHIRE)

### INDEPENDENT EXAMINER'S REPORT
### FOR THE YEAR ENDED 31 DECEMBER 2025

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

1. which gives me reasonable cause to believe that in any material respect the requirements:

   - to keep accounting records in accordance with section 130 of the Act; and
   - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects comply with the accounting requirements of the Act.

   have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



**D C Boorn AFA AAIA**

D C Boorn & Co
88 Cowleigh Road
Malvern
Worcestershire
WR14 1QW

## THE MERCIAN REGIMENT MUSEUM (WORCESTERSHIRE)

### STATEMENT OF FINANCIAL ACTIVITIES
### FOR THE YEAR ENDED 31 DECEMBER 2025

| | Note | Unrestricted Funds 2025 £ | Restricted Funds 2025 £ | Total Funds 2025 £ | Total Funds 2024 £ |
|---|---|---|---|---|---|
| **INCOME FROM:** | | | | | |
| Donations and legacies | 2 | 4,674 | | 4,674 | 3,934 |
| Other trading activities | 3 | 9,487 | | 9,487 | 2,096 |
| Investments & Bank Int | 5 | 25,942 | | 25,942 | 36,386 |
| Designated Friends Fund [R] | 4 | - | 885 | 885 | 1,746 |
| Museum Collection Fund [R] | 2 | - | | - | 16,388 |
| Museum Grants Received [R] | | - | | - | - |
| Worcestershire Soldier Fund[R] | 2 | - | 231,831 | 231,831 | 105,132 |
| Museum Sustainability Fund [D] | | - | - | - | - |
| Museum Conservation Fund [D] | | - | - | - | - |
| **TOTAL INCOME** | | 40,103 | 232,716 | 272,819 | 165,682 |
| **EXPENDITURE ON:** | | | | | |
| Raising funds | 6 | - | - | - | - |
| Charitable activities | 6&7 | 100,081 | 14,027 | 114,108 | 105,353 |
| Designated Friends Fund [R] | 8 | - | 67 | 67 | 2,545 |
| Museum Collection Fund [R] | 6 | - | | | 17,193 |
| Museum Grants Received [R] | | - | | | - |
| Worcestershire Soldier Fund[R] | 6 | - | 227,444 | 227,444 | 21,453 |
| Museum Sustainability Fund [D] | | - | - | - | - |
| Museum Conservation Fund [D] | | - | | - | - |
| **TOTAL EXPENDITURE** | | 100,081 | 241,538 | 341,619 | 146,544 |
| **NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)** | | (68,800) | | (68,800) | 19,138 |
| Net gains/(losses) on investments | 15 | 80,525 | - | 80,525 | 13,570 |
| **NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES** | | 11,724 | - | 11,724 | 32,708 |
| Transfer to Fixed Assets | | - | - | - | - |
| **NET MOVEMENT IN FUNDS** | | 11,724 | - | 11,724 | 32,708 |
| **RECONCILIATION OF FUNDS:** | | | | | |
| Total funds brought forward | | 883,449 | - | 883,449 | 850,741 |
| **TOTAL FUNDS CARRIED FORWARD** | | 895,173 | - | 895,173 | 883,449 |

All activities relate to continuing operations.
The notes on pages 17 to 25 form part of these financial statements.

**THE MERCIAN REGIMENT MUSEUM (WORCESTERSHIRE)**

**BALANCE SHEET**
**AS AT 31 DECEMBER 2025**

| | Note | Unrestricted funds 2025 £ | Restricted Funds £ | Total Funds 2025 £ | Total Funds 2024 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 14 | - | - | - | 6,467 |
| Investments | 15 | 683,500 | 148,276 | 831,776 | 771,251 |
| | | 683,500 | 148,276 | 831,776 | 777,718 |
| **CURRENT ASSETS** | | | | | |
| Stocks (Notional) | 16 | - | - | - | - |
| Debtors | 17 | - | - | - | 565 |
| CAF Cash at bank and in hand | | 11,436 | - | 11,436 | 14,558 |
| Worcestershire Soldier | | - | 43,171 | 43,171 | 82,635 |
| Friends Cash at bank and in hand | | - | 8,790 | 8,790 | 7,973 |
| | | 11,436 | 51,961 | 63,397 | 105,731 |
| **CREDITORS:** amounts falling due within one year | 18 | - | - | - | - |
| **NET CURRENT ASSETS** | | | | 63,397 | 105,731 |
| **NET ASSETS** | | | | 895,173 | 883,449 |
| **CHARITY FUNDS** | | | | | |
| Restricted | | | | 230,062 | 238,884 |
| Unrestricted | 19 | | | 665,111 | 644,565 |
| **TOTAL FUNDS** | | | | 895,173 | 883,449 |

The financial statements were approved by the Trustees on 28th October 2026 and signed on their behalf, by:

Mark Jackson, Chairman

The notes on pages 16 to 24 form part of these financial statements.

## 1. ACCOUNTING POLICIES

### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Mercian Regiment Museum (Worcestershire) Trust constitutes a public benefit entity as defined by FRS 102.

### 1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

### 1.3 INCOME

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

### 1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

### 1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|---|---|
| Fixtures and fittings | - 33.33% straight line |

### 1.6 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

### 1.7 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

### 1.8 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

## 2. INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted 2025 £ | Restricted 2025 £ | Total 2025 £ | Total Fund 2024 £ |
|---|---|---|---|---|
| Donations and Gift Aid | 4,674 | - | 4,674 | 3,934 |
| Appeals | - | - | - | - |
| MOD Grant in Aid | - | - | - | - |
| Museum Collection | - | - | - | 16,388 |
| Worcestershire Soldier | - | 231,831 | 231,831 | 105,132 |
| Grants | - | - | - | - |
| Total donations and legacies | 4,674 | 231,831 | 236,505 | 125,454 |

## 3. ACTIVITIES FOR GENERATING FUNDS

| | Total 2025 £ | Total Fund 2024 £ |
|---|---|---|
| Research | 786 | 1,893 |
| Events | 5,674 | - |
| Shops Sales & Publication rights | 227 | 203 |
| Other Income | 2,800 | - |
| | 9,487 | 2,096 |

## 4. OTHER ACTIVITIES

| | 2025 £ | 2024 £ |
|---|---|---|
| Museum Friends designated activities | 885 | 1,746 |

## 5. INVESTMENT INCOME & BANK INTEREST

| | Total 2025 £ | Total Fund 2024 £ |
|---|---|---|
| Bank Interest & Dividends received | 25,942 | 36,386 |

## 6. DIRECT COSTS

| | Unrestricted 2025 £ | Restricted 2025 £ | Total 2025 £ | Total Fund 2024 £ |
|---|---|---|---|---|
| Museum Display & Acquisitions | - | - | - | 17,193 |
| Subscriptions and sundries | 3,740 | - | 3,740 | 5,911 |
| Conservation | - | - | - | 1,518 |
| Insurance | 943 | - | 943 | 923 |
| Research costs | 319 | - | 319 | 235 |
| Postage | 12 | - | 12 | - |
| Events | 800 | - | 800 | - |
| IT Equipment | - | - | - | - |
| Office supplies | - | - | - | 440 |
| Depreciation | 6,467 | - | 6,467 | 6,465 |
| Wages and salaries | 87,800 | 14,027 | 101,827 | 89,861 |
| Worcestershire Soldier | - | 227,444 | 227,444 | 21,453 |
| As 31 December 2024 | 100,081 | 241,471 | 341,552 | 143,999 |

## 7. GOVERNANCE COSTS

| | 2025 £ | 2024 £ |
|---|---|---|
| Governance Auditors' remuneration | - | - |

## 8. OTHER COSTS

| | 2025 £ | 2024 £ |
|---|---|---|
| Transfer to Investments | - | - |
| Friends Designated activities | 67 | 2,545 |
| | 67 | 2,545 |

## 9. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

| | Staff costs 2025 £ | Other costs 2025 £ | Total 2025 £ | Total 2024 £ |
|---|---|---|---|---|
| Expenditure on raising voluntary income | - | 800 | 800 | - |
| **COSTS OF GENERATING FUNDS** | | | | |
| Support costs | 101,827 | 239,725 | 341,552 | 143,999 |
| Expenditure on governance | - | - | - | - |
| **TOTALS** | 101,827 | 239,725 | 341,552 | 143,999 |

## 10. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| This is stated after charging: | | |
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 6,467 | 6,465 |
| Auditors' remuneration - audit | - | - |
| | 6,467 | 6,465 |

## 11. AUDITORS' REMUNERATION

The Independent Examiner's remuneration amounts to an Independent Examination fee of £NIL *(2024: £NIL)*.

## 12. STAFF COSTS

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Staff costs were as follows: | | |
| Wages and Salaries | 101,827 | 89,861 |

The average number of persons employed by the charity during the year was as follows:

| 2025 | 2024 |
|---|---|
| £ | £ |
| 3 | 2 |

No employee received remuneration amounting to more than £50,000 in either year.

## 13. RELATED PARTY TRANSACTION

No Trustee received any remuneration for their role as Trustee. No expenses were reimbursed to Trustees in the year *(2024: NIL)*

There were no related party transactions in the year (2024: none).

## 14. TANGIBLE FIXED ASSETS

| | Fixtures & fittings 2025 £ | Fixtures & fittings 2024 £ |
|---|---|---|
| **COST** | | |
| At 1 January 2025 | 19,397 | 19,397 |
| Additions | - | - |
| At 31 December 2025 | 19,397 | 19,397 |
| **DEPRECIATION** | | |
| At 1 January 2025 | 12,930 | 6,465 |
| Charge for the year | 6,467 | 6,465 |
| At 31 December 2025 | 19,397 | 12,930 |
| **NET BOOK VALUE** | | |
| At 31 December 2025 | - | 6,467 |

## 15. FIXED ASSET INVESTMENTS

| | Listed securities 2025 £ | Listed securities 2024 £ |
|---|---|---|
| **MARKET VALUE** | | |
| At 1 January 2025 | 771,251 | 789,681 |
| Transfers | (20,000) | (32,000) |
| Revaluations | 80,525 | 13,570 |
| At 31 December 2025 | 831,776 | 771,251 |
| **HISTORICAL COST** | **689,681** | |

**INVESTMENTS AT MARKET VALUE COMPRISE:**

| | 2025 | 2024 |
|---|---|---|
| | | £ |
| Listed investments | 831,776 | 771,251 |

All the fixed asset investments are held in the UK

## 16. STOCKS

| | 2025 £ | 2024 £ |
|---|---|---|
| Finished goods and goods for resale | - | - |

## 17. DEBTORS

| | 2025 £ | 2024 £ |
|---|---|---|
| Other debtors | - | 565 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

## 18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Other creditors | - | - |

## 19. STATEMENT OF FUNDS

| | Brought Forward | Income | Expenditure | Transfers in /out | Gains/ (Losses) | Carried Forward |
|---|---|---|---|---|---|---|
| **DESIGNATED FUNDS** | £ | £ | £ | £ | £ | £ |
| Designated Friends Fund | 17,958 | 885 | (67) | - | - | 18,776 |
| Museum Collection Fund | 19,760 | - | - | - | - | 19,760 |
| Museum Grants Received | 21,000 | - | - | - | - | 21,000 |
| Worcester Soldier Fund | 180,166 | 231,831 | (241,471) | - | - | 170,526 |
| **Total Designated Funds** | **238,884** | **232,716** | **(241,538)** | **-** | **-** | **230,062** |
| **GENERAL FUNDS** | | | | | | |
| General Fund | 1,824 | 40,103 | (93,614) | - | 80,525 | 28,838 |
| Tangible fixed assets | 6,467 | - | - | (6,467) | | - |
| Museum Sustainability Fund | 600,000 | - | - | - | - | 600,000 |
| Museum Conservation Fund | 36,273 | | - | - | - | 36,273 |
| **Total General Funds** | **644,565** | **40,103** | **(93,614)** | **(6,467)** | **80,525** | **665,111** |
| **Total Funds** | **883,449** | **272,819** | **(335,152)** | **(6,467)** | **80,525** | **895,173** |

## 20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted 2025 £ | Restricted 2025 £ | Total 2025 £ | Total Fund 2024 £ |
|---|---|---|---|---|
| Tangible fixed assets | - | - | - | 6,467 |
| Fixed asset investment | 683,500 | 148,276 | 831,776 | 771,251 |
| Current assets | 11,436 | 51,961 | 63,397 | 105,731 |
| Creditors due within one year | - | - | - | - |
| | 694,936 | 200,237 | 895,173 | 883,449 |