Registered number: 01592031
Charity number: 283656

THE NATIONAL HORSERACING MUSEUM

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

THE NATIONAL HORSERACING MUSEUM
(A company limited by guarantee)

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THE NATIONAL HORSERACING MUSEUM

(A company limited by guarantee)

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

Trustees	Hon. Frances Stanley, Chair Dr Hamid Amouzad Khalili (appointed 17 June 2025) Jonathan Benson John Chatfeild-Roberts Johnny Eddis (appointed 9 February 2026) Brian Finch (resigned 1 November 2025) Annette Julie Green Paul Lindsell (resigned 16 January 2025) Nicholas Luck Paul Ogburn (resigned 22 April 2026) Adam Signy Michael Sutherill Paul Taiano David Thorpe
Company registered number	01592031
Charity registered number	283656
Registered office	Palace House Palace Street Newmarket Suffolk CB8 8EP
Independent auditors	Larking Gowen LLP Chartered Accountants 1 Claydon Business Park Great Blakenham Ipswich IP6 0NL
Investment managers	Evelyn Partners 25 Moorgate London EC2R 6AY

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their annual report together with the audited financial statements of the company for the year 1 January 2025 to 31 December 2025. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the company qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

To maintain the standards expected of a national institution by ensuring excellence in collections management, a balance in the displays between period, themes and types of racing, sporting art, and between loans and acquisitions.

To maintain and improve the financial health of the organisation via a balanced range of income sources.

To provide a lively and varied annual programme of special exhibitions and displays to drive footfall and to address topics of interest and relevance unrepresented by the permanent displays.

To increase public access, attracting a broad audience to our collections and exhibitions.

To develop new audiences, to strengthen links with the local community, with a particular focus on young people.

To commission and develop a new Till and CRM System that will strengthen communication with visitors. Online booking system will also be implemented to enhance visitors’ experience.

To progress plans to complete the permanent galleries not installed as part of the first phase of building the museum.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Activities undertaken to achieve objectives

The management partnership with Discover Newmarket is continuing to work well. Each department is working collectively to ensure that the Museum’s objectives and visions are met.

The main exhibition during the year was HORSEPLAY. The exhibition was centred around racing board games but gave a unique perspective on how these have developed and been enjoyed throughout history. There was an extensive programme based around this exhibition which included chess club, race night and regular board games afternoons. The exhibition gained much interest from local press and was televised on both morning and evening news.

The program of commercial events introduced in 2024 has been successful in attracting visitors and raising awareness of the museum as a whole. The annual events, Easter Pawty, Classic Car, Halloween evening and Christmas events all continued to build momentum and proved popular for a second year running.

A new EPOS and CRM system was commissioned to enhance both visitor experience and assist analysis of data. This system will help to communicate with museum visitors and support every aspect of the business from annual passes to gift aid submissions.

Plans and initiatives to complete new permanent galleries are underway. The museum's collaboration with University of Manchester is developing as expected, plans are coming together for an immersive experience that is set to add a unique and exciting element to the site.

c. Volunteers

The trustees and staff are extremely grateful to all the volunteers that contribute enormously to the Museum. The programme is made up of a variety of non-traditional volunteering backgrounds. Their presence on site makes a huge difference to both visitors and staff and provides an increasingly important resource in supporting the curatorial, visitor services and maintenance teams.

d. Main activities undertaken to further the Company's purposes for the public benefit

The public benefits principally from the preservation and conservation of this nationally important collection of racing works of art, social history objects, archival documents, and photographs. Members of the public are able to view the exhibitions in person and, increasingly, online and to use the research services of the Museum.

The organisation works hard to engage the local community beyond the core racing audience. There has been a significant increase in engagement through large scale community events.

The Museum also provides wider social benefit through the provision of greatly improved facilities and services for families, children and young people and through educational facilities and learning programmes. A community outreach programme has integrated the National Horseracing Museum into the life of Newmarket and its diverse communities, as well as those of the surrounding area. This programme which forms part of horseracing's wider social impact strategy. put together by the Creative Programme Manager during the year under review, includes:

- A warm space provision for families, Cosy Club, in the coldest months of the year.
- Little Horseshoes monthly family sessions for toddlers and their parent(s) designed by an Early Years professional using the museum collections to inspire learning through play and creativity. 146 participants have benefited over the year.
- School Holiday trails and creative workshops for families with eligible workshops supported by the Suffolk Holiday and Activities Fund, providing lunches for children and young people who receive free school meals. 472 people took part in a programme inspired by HORSEPLAY, including screen printing t-shirts, making equine themed mosaics, making a racing boardgame and using spray paints.
- Newmarket Young Arts – a series of six free Saturday workshops for children and young people aged 7 - 14 in collaboration with Newmarket Community Arts. 31 children participated.
- A Taste Ramadan event in partnership with the Newmarket Islamic Centre and Discover Newmarket. 30 adults and six children attended.
- Board games mornings with refreshments for the whole community to enjoy every Tuesday supported by the museum team and volunteers.
- Wellbeing Art Classes for adults in partnership with Oblique Arts, six sessions ran with 12 participants.
- A co-produced Black History Month launch event at the museum with ACUCA in Newmarket and supported by Khadijah Mellah welcomed around 100 people.
- Co-produced creative coffee mornings with Racing Welfare and board games and therapy horse coffee afternoon with Racing Welfare and Godolphin.

Our programme included the following nationwide initiatives:

- supporting Racing Together in their pilot programme using racing and horses to combat loneliness and isolation within communities around the country by providing a loans bag, the first of many to be created for different racecourses around the UK, with tactile objects, racecards and memorabilia relating to Pontefract Racecourse to create talking points and encourage reminiscence.
- the Awards for Young Writers on Horseracing, open to all young people aged 11 – 23 in education in the UK. The Awards provide an opportunity for young people to explore journalism as a potential career and to develop their research and writing skills through taking part.

Formal education initiatives included:

- 41 school visits with 1179 children engaging in a range of curriculum linked workshops and a further 153 children were engaged through outreach.
- The Gerald Leigh Youth Guides programme, which continued to provide opportunities for young people in receipt of Pupil Premium to grow in confidence, develop research skills and deliver a guide presentation of an object or display in the museum.
- Our annual programme Under Starters Orders which engaged 426 children over 15 days in the summer term.
- Dubai Future Champions explored careers in racing and the heritage of horseracing and GCSE PE Sports Science Revision sessions through Racing to School's Beacon programme.
- 'Racing into the Future – Going Green' funded by NLHF through Museum Development South East, engaged pupils from six local Primary Schools in a programme of activity relating to increasing biodiversity, environmental initiatives across the museum and within wider racing with curriculum links of Science, Maths, English and Art.

The museum has continued to support careers education through attending careers festivals and providing an insight into careers in racing and in the museum sector, providing student work placements at the museum and developing our 'Creative Digital Brief' programme which enabled a group of young people from Priory School to gain valuable work experience in marketing and design.

Achievements and performance 2025

a. Main achievements of the Company

Commissioned an audience survey to ensure that future plans and developments align with the interests and expectations of target audiences.

Undertook a comprehensive pricing review for implementation in 2026, including the introduction of a children's admission ticket, a new family ticket, and conversion of all admissions to an annual pass. These revisions will seek to increase overall admissions revenue.

Completed a tender process for a new EPOS, CRM, and online ticketing system, enabling a more streamlined and efficient visitor experience while reducing fixed-term operating costs.

Established a new partnership with the University of Manchester, securing three years of funded internship support to help future-proof the Museum through the development of enhanced digital and virtual visitor experiences.

b. Key performance indicators

Growth in commercial income through increased venue hire activity and events.

Increased levels of educational and community engagement through a broader programme of activities and outreach initiatives.

c. Review of activities

The *Horseplay* exhibition provided a significant opportunity to engage family audiences and deliver an extensive programme of supporting events and activities. As part of this programme, a new public art chess sculpture trail was launched within the town, extending engagement beyond the Museum site and encouraging wider community participation.

The creation of a horseracing-themed Escape Room enabled the Museum to diversify its offer and attract new audiences, including corporate groups, while generating additional commercial income.

d. Factors relevant to achieve objectives

Extensive discussions have been undertaken to identify the Museum's strategic priorities for the next three years and to determine how these can support increased organisational sustainability. The outcomes of these discussions are now being incorporated into a new three-year Business Plan, which will provide a clear framework for the Museum's future development and long-term success.

e. Fundraising activities and income generation

Christopher Tregoning, continues to head up our fundraising committee, secured several donations during the year. The Museum has received a number of generous donations in the year, over £22,000 was received from our regular Benefactor schemes. Larger donations of £12,500 and £10,000 were received from the John Lambton Mausoleum and Course Investment Corporation. A further £19,000 was donated from several Charitable Trusts – Rockcliffe, Leslie Mary Carter, Yvonne Jacques, Patrick Dalby and Lord Farringdon.

These donations are to support the ongoing plans to continue the work on the permanent galleries, ensuring the collections are shown, exhibited and maintained to the highest standard.

Trusts such as HDH Wills and the Wilmington Trust have both awarded grants specific to Education projects for the third consecutive year. The Wilmington Trust awarded £5,000 to run a Young Writers Award to engage with young people in the local community. HDH Wills has awarded £3,500 to ensure that the workshops provided to the community and schools have enough materials and supplies. Examples of these workshops include Creative Community Art Club, Little Horseshoes and School Holiday activities that are all free to attend. Simon Gibson Charitable Trust has provided £20,000 to match fund the University of Manchester project and several grants have been awarded by West Suffolk Council to run programmes such as Centres of Warmth, Young Arts and Thriving Communities projects.

f. Investment policy and performance

Management of the charitable company’s investment portfolio is delegated by the trustees to Evelyn Partners, who advise the trustees on investment performance. The investment advisors are given the freedom they need to achieve the best results practicable without specific constraints on such matters as social, ethical, or environmental considerations.

Financial review

a. Going concern

The main uncertainty facing the charity is the long-term sustainability as a museum and visitor attraction. There has been a slow decline in admissions income which has meant the museum is more dependent on donations, grants and other income streams. During the year under review, £200,000 of expendable endowment funds were transferred to unrestricted funds to support the expenditure on charitable activities.

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

In line with guidance published by the Charities Commission, the trustees are concerned to establish an adequate level of unrestricted reserves to enable the organisation to carry out its charitable objectives and to safeguard its activities in the event of unplanned financial challenges. The trustees' policy is to build the endowment fund to such a level that the income from it will be sufficient to cover the core operating costs. The trustees' policy regarding free reserves (funds not tied to fixed assets, designated, or restricted funds) is to maintain sufficient resources to meet its obligations as they fall due. The Board remains mindful of the need to protect the organisation against future financial challenges through either unplanned operational costs, loss of grant income or unexpected reductions in commercial income.

At the year end, the group’s total funds amounted £17,595,654 (2024: £17,704,514) of which £149,630 (2024: £161,941) were restricted funds and £4,465,962 (2024: £4,280,134) were endowment funds. The group’s unrestricted reserves were £12,980,062 (2024: £13,262,439) including £12,954,702 (2024: £13,075,525) of designated funds. Free reserves were £25,360 (2024: £186,914).

The free reserves target level of £350,000, which equates to approximately four months of operational costs based on the annual operating cost budget. The shortfall on target is £324,640 and the trustees are working on a new business plan with the aim of building up the free reserves to the target level in future years.

Structure, governance and management

a. Constitution

The National Horseracing Museum is registered as a charitable company limited by guarantee and was set up by a Trust deed, for the public benefit to promote public interest in the preservation of all activities which are of historical or scientific interest in connection with racehorses and persons and places connected with racehorses and the art of other sports generally, principally through the running of the National Heritage Centre for Horseracing and Sporting Art at Palace House, and to preserve and care for the heritage and buildings making up the Palace House complex and in furtherance of this object.

b. Methods of appointment or election of Trustees

The management of the group and the company is the responsibility of the trustees who are elected and coopted under the terms of the Trust deed.

In the Museum's Memorandum and Articles it is agreed that:

• Trustee terms be limited to three years in the first instance, renewable (if both parties are in agreement) for a further three years.

• After six years' service trustee terms can, by mutual consent of the Chair and the respective Trustee, be renewable annually, to a maximum of nine years' service in total.

• The Chair reviews the membership of those trustees who have served more than six years, with a view to effecting an orderly transition from existing to new members.

• The Chair and Board will invite suggestions for new trustees who can enhance the Board's diversity in terms of age, professional expertise, and socio-economic background.

• The Museum will advertise publicly for new trustees.

• The Museum will encourage applications for the Board by qualified candidates from visible and invisible minority group members, persons with disabilities, persons across the spectrum of sexual and gender identities, and others with the skill and knowledge to engage with diverse communities.

• The Board's size to be no less than 10 and no more than 14 Trustees.

The trustees will be asked (i) to ensure that the Museum runs smoothly and effectively by supervising and monitoring the performance of the Museum's operation in accordance with the sector's standards of good practice and the principles of transparency, diversity, equality, and fiscal sustainability and (ii) to assist the Executive to identify, cultivate and harness potential sources of external funding for core projects.

The appointment of trustees is by proposal according to the skills requirements of the charitable company and requires a unanimous positive vote. The recruitment process focusses on the need for all trustees to come from a variety of backgrounds, personal & experiential; ideally bringing experience in Finance; Higher Education; Museums (Policy/Operations and Collections); Events/Catering; Marketing and the Voluntary Sector.

Representation at Board meetings includes members of the Local Authorities (specifically one observer/attendee each from Suffolk County Council and West Suffolk District Council). To date, there has never been the need to remove a trustee from office.

c. Organisational structure and decision-making policies

The trustees determine the general policy of the charitable company and are elected in accordance with the Memorandum and Articles of Association. The day-to-day management of The National Horseracing Museum (the Museum) is delegated to the Museum senior staff and Discover Newmarket (collectively referred to as the Executive). The National Horseracing Museum is the legal entity responsible for running the Museum at Palace House, Newmarket.

The trustees delegate authority on all strategic and day-to-day matters to the Executive. However, the following reserved matters require trustee approval:

• The annual budget
• The annual auditors' report
• Capital project expenditure above £100,000
• The annual, five-year Forward Plan, and any subsequent variants of this
• The annually reviewed Risk Register and the associated Risk Management Plan
• The Museum's operational policies
• Changes in the terms of governance
• Staff ex gratia and bonus payments
• Changes to partnership agreements with the site's associated charities.

While new trustees will be asked to respect the Executive's responsibility for the operation of the Museum,

trustees may also be asked to mentor a senior member of the Museum staff working in an area which corresponds to their own professional expertise.

d. Policies adopted for the induction and training of Trustees

Upon appointment, trustees are given advice outlining their role and responsibilities to the charitable company and its structure and governance. Provision is made for external training of trustees as necessary.

e. Pay policy for key management personnel

The trustees still consider the senior staff and Discover Newmarket, key management personnel in charge of directing and controlling, running, and operating the charitable company on a day-to-day basis. All trustees give of their time freely, and no trustee received remuneration in the year.

The pay of senior staff is reviewed annually, and the trustees benchmark pay against levels in other provincial museums of a similar size. We follow Museums Association “Pay in Museums” guidance to ensure fair pay for all. Executive salaries are set by recommendation of the Audit & Performance Committee to the Chair of the Board.

f. Related party relationships

The charitable company is a member of Discover Newmarket, a community interest company (registration number 09362242).

The National Horseracing Museum holds 100% of the issued share capital of Palace House Trading Limited, a company registered in England and Wales.

With the consent of the charitable company, trustees indemnity insurance has been purchased as a part of the insurance cover of the Charitable company as a whole and is not separately identified within total insurance costs of £27,560 (2024: £30,367). It is understood and agreed that the policy is extended to include trustees’ indemnity for a limit of indemnity up to GBP 250,000 in the annual aggregate. The insurance covers claims made against any trustees in the event of their negligence in any aspect of the administration of the Charity including all costs and expenses.

Plans for future periods

The Museum is continuing with the development of a new collaboration with the University of Manchester which includes a part-funded, three-year graduate. This forms part of a new business plan to digitally transform the visitor experience and re-launch as a must-visit attraction. Thus, appealing to new audiences and driving visitor numbers and income. This provides the museum with a realistic means to make significant improvements to re-develop the offer, better meet visitor expectations and contribute to the improvement of the Charity’s financial position.

In addition to the above long term approach, trustees and senior management have identified a number of areas that can be addressed to achieve improvements on profitability and reduce the shortfall to the free reserves target by the end of 2027.

1. Investment Income.
The investment policy is to be reviewed to deliver a higher income yield.

2. Education Programme
A new Education programme was introduced from January 2026 to reach a wider scope of schools. An Admission fee is also now charged in line with similar programmes elsewhere. The aim is to develop this each year.

3. Exhibitions
The Museum will expand on their exhibitions offering one major exhibition per year and a new permanent exhibition. These new initiatives will drive footfall and give a chance to reach wider audiences.

4. Legacies
This will be a new initiative set for the campaign board.

5. Review of all leases and agreements
A full review of leases and agreements will be made to ensure that market value amounts are achieved. We do expect an increase of rental income from these reviews.

Statement of Trustees' responsibilities

The trustees (who are also the directors of the company for the purposes of company law) 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 charitable company has no share capital and is limited by guarantee. Each trustee is a member of the charitable company and is a guarantor who undertakes to contribute to the assets of the charitable company, in the event of it being wound up, such amount as may be required, not exceeding £1.

Company law requires the trustees to prepare financial statements for each financial year. 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 the company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102).

• make judgments and accounting estimates that are reasonable and prudent.

• state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.

• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

• so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and

• that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any

relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Larking Gowen LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Hon. Frances Stanley
(Chair of Trustees)

Date: 15th July 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL HORSERACING MUSEUM

Opinion

We have audited the financial statements of The National Horseracing Museum (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL HORSERACING MUSEUM (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing 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 using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

- Enquiries made with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing board minutes and any relevant correspondence with external authorities;
- Reviewing legal and professional costs for indications of litigation;
- Challenging assumptions and judgements made by management in their significant estimates, in particular in relation to investment property valuations, depreciation calculations and stock valuations; and
- Auditing risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non- compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Larking Gowen LLP

Giles Kerkham (Senior statutory auditor)

for and on behalf of
Larking Gowen LLP

Chartered Accountants
Statutory Auditors

1 Claydon Business Park

Great Blakenham

Ipswich

IP6 0NL

Date: 17 July 2026

THE NATIONAL HORSERACING MUSEUM

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income and endowments from:						
Donations and legacies	4	**232,208**	**145,926**	**-**	**378,134**	*503,247*
Charitable activities	5	**145,540**	**-**	**-**	**145,540**	*163,516*
Other trading activities	6	**198,820**	**-**	**-**	**198,820**	*191,016*
Investments	7	**160,120**	**-**	**-**	**160,120**	*164,383*
Total income and endowments		**736,688**	**145,926**	**-**	**882,614**	*1,022,162*
Expenditure on:						
Raising funds	8	**207,568**	**-**	**-**	**207,568**	*199,622*
Charitable activities	9	**1,011,497**	**158,237**	**-**	**1,169,734**	*1,255,397*
Total expenditure		**1,219,065**	**158,237**	**-**	**1,377,302**	*1,455,019*
Net expenditure before net gains on investments		**(482,377)**	**(12,311)**	**-**	**(494,688)**	*(432,857)*
Net gains on investments		**-**	**-**	**385,828**	**385,828**	*205,533*
Net (expenditure)/income		**(482,377)**	**(12,311)**	**385,828**	**(108,860)**	*(227,324)*
Transfers between funds	20	**200,000**	**-**	**(200,000)**	**-**	*-*
Net movement in funds		**(282,377)**	**(12,311)**	**185,828**	**(108,860)**	*(227,324)*
Reconciliation of funds:						
Total funds brought forward		**13,262,439**	**161,941**	**4,280,134**	**17,704,514**	*17,931,838*
Net movement in funds		**(282,377)**	**(12,311)**	**185,828**	**(108,860)**	*(227,324)*
Total funds carried forward		**12,980,062**	**149,630**	**4,465,962**	**17,595,654**	*17,704,514*

For the Group's income and expenditure account, gross income including transfers from endowment is £1,082,614 *(2024: £1,022,162)*; gross expenditure is £1,377,302 *(2024: £1,455,019)*; and net expenditure is £294,688 *(2024: £432,857)*.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

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

The notes on pages 22 to 50 form part of these financial statements.

THE NATIONAL HORSERACING MUSEUM

(A company limited by guarantee)
REGISTERED NUMBER: 01592031

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note		2025 £		*2024 £*
Fixed assets					
Intangible assets	13		**16,920**		*-*
Tangible assets	14		**12,646,389**		*12,784,132*
Heritage assets	15		**291,393**		*291,393*
Investments	16		**4,599,004**		*4,363,176*
			17,553,706		*17,438,701*
Current assets					
Stocks	17	**38,161**		*47,096*	
Debtors	18	**122,933**		*130,819*	
Cash at bank and in hand		**156,759**		*411,159*	
		317,853		*589,074*	
Current liabilities					
Creditors: amounts falling due within one year	19	**(275,905)**		*(323,261)*	
Net current assets			**41,948**		*265,813*
Total assets less current liabilities			**17,595,654**		*17,704,514*
Total net assets			**17,595,654**		*17,704,514*
Charity funds					
Endowment funds	20		**4,465,962**		*4,280,134*
Restricted funds	20		**149,630**		*161,941*
Unrestricted funds					
Designated Funds	20	**12,954,702**		*13,075,525*	
General funds	20	**25,360**		*186,914*	
Total unrestricted funds	20		**12,980,062**		*13,262,439*
Total funds			**17,595,654**		*17,704,514*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2025

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Hon. Frances Stanley
(Chair of Trustees)

Date: 15th July 2026

The notes on pages 22 to 50 form part of these financial statements.

THE NATIONAL HORSERACING MUSEUM

(A company limited by guarantee)
REGISTERED NUMBER: 01592031

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note		2025 £		*2024 £*
Fixed assets					
Intangible assets	13		**16,920**		*-*
Tangible assets	14		**12,623,502**		*12,773,738*
Heritage assets	15		**291,393**		*291,393*
Investments	16		**4,599,005**		*4,363,177*
			17,530,820		*17,428,308*
Current assets					
Debtors	18	**161,286**		*185,039*	
Cash at bank and in hand		**149,650**		*392,610*	
		310,936		*577,649*	
Current liabilities					
Creditors: amounts falling due within one year	19	**(246,101)**		*(301,442)*	
Net current assets			**64,835**		*276,207*
Total assets less current liabilities			**17,595,655**		*17,704,515*
Total net assets			**17,595,655**		*17,704,515*
Charity funds					
Endowment funds	20		**4,465,962**		*4,280,134*
Restricted funds	20		**149,630**		*161,941*
Unrestricted funds					
Designated funds	20	**12,931,814**		*13,065,131*	
General funds	20	**48,249**		*197,309*	
Total unrestricted funds	20		**12,980,063**		*13,262,440*
Total funds			**17,595,655**		*17,704,515*

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2025

The Company's net movement in funds for the year was £(108,860) *(2024 - £(130,493))*.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Hon. Frances Stanley
(Chair of Trustees)

Date: 15th July 2026

The notes on pages 22 to 50 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	*2024* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(437,123)**	*(435,868)*
Cash flows from investing activities		
Investment income	**148,227**	*164,383*
Purchase of intangible fixed assets	**(19,800)**	*-*
Purchase of tangible fixed assets	**(25,704)**	*(8,540)*
Proceeds from sale of investments	**150,000**	*-*
Purchase of heritage assets	**-**	*(12,726)*
New loans	**-**	*70,000*
Net cash provided by investing activities	**252,723**	**213,117**
Cash flows from financing activities		
Repayments of borrowing	**(70,000)**	*-*
Net cash (used in)/provided by financing activities	**(70,000)**	**-**
Change in cash and cash equivalents within the year	**(254,400)**	**(222,751)**
Cash and cash equivalents at the beginning of the year	**411,159**	*633,910*
Cash and cash equivalents at the end of the year	**156,759**	*411,159*

The notes on pages 22 to 50 form part of these financial statements

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

1. General information

The National Horseracing Museum is a registered company, limited by guarantee, and a charity registered with the Charity Commission. The National Horseracing Museum is incorporated in England and Wales, company registration number 01592031 and charity registration number 283656. The registered office is Palace House, Palace Street, Newmarket, Suffolk, CB8 8EP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The National Horseracing Museum is a Charitable Company limited by guarantee, incorporated in England and Wales which meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Basis of consolidation

The consolidated financial statements incorporate the accounts of the Charitable Company and those of its trading subsidiary, Palace House Trading Ltd, for the year ended 31 December 2025 on a line-by-line basis. A Separate Statement of Financial Activity (SOFA) is not presented because the Charitable Company has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

2.3 Going concern

The group finances its day-to-day operations primarily from grants and donations. The Trustees have prepared forecasts and projections through to 31 December 2027. After reviewing these forecasts and projections, with the back-up of an expendable endowment, which can be utilised to meet any shortfall in forecast income, at the time of approving these financial statements the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for at least the next 12 months. The Trustees therefore consider it appropriate to continue to adopt the going concern basis in preparing the group's financial statements.

2. Accounting policies (continued)

2.4 Income

All grants, donations and income from charitable activities are recognised when the charitable company is entitled to the income, the amount can be measured reliably and it is probable that the income will be received. Income is deferred where admission fees or other income are received in advance of the provision of the related goods or services.

Income from other trading activities is recognised as earned when the related goods and services are provided.

Investment income is recognised when it is receivable.

2.5 Volunteers and donated services facilities

The value of services provided by volunteers is not incorporated in these financial statements. Their valuable contribution is recognised in the Report of the Trustees.

There are no donated services or facilities to recognise in these financial statements, if services are provided to the Charitable Company as a donation that would normally be purchased from suppliers, these will be included in the financial statements at an estimate of the value of the contribution to the Charitable Company.

2.6 Expenditure

Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as goods and services when supplied or when a constructive obligation arises which results in the payment being unavoidable.

- Costs of raising funds are those costs incurred in running the Museum Café, Gift Shop, Tours and Fundraising Events and, in these consolidated accounts, include the costs incurred by the trading subsidiary.
- Charitable activities relate to the costs of running of the Museum.
- Support costs have been allocated to the relevant activity cost categories on a basis consistent with the use of those resources. This has been via an estimated percentage by the Trustees where it is not practical to identify actual costs.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2.7 Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to that category. The Charitable Company is partially culturally exempt and irrecoverable VAT is charged against the category of resources expended for which it was incurred.

2. Accounting policies (continued)

2.8 Operating leases

Rental expenditure applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

2.9 Pensions

The Charitable Company contributes to the personal pension plans of certain employees. The cost is charged to the income and expenditure account as contributions fall due.

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

2.10 Taxation

The Charitable Company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

2.11 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.12 Intangible assets and amortisation

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Computer software	-	33 %

2. Accounting policies (continued)

2.13 Tangible fixed assets and depreciation

Tangible fixed assets costing £350 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- over 100 years
Motor vehicles	- over 5 years
Fixtures and fittings	- over 5 years

2.14 Investments

Listed investments are stated at fair value at the reporting date, based on the quoted closing bid price on the relevant stock exchange. Gains and losses arising from changes in fair value are recognised in the Statement of Financial Activities in the period in which they arise. Investment income is recognised on an accruals basis.

2.15 Museum collections heritage assets

The collection consists of historic assets associated with horseracing. The value shown in the accounts is that of purchases added to the collection over a period of years. No value has been attributed to donated items added to the collection prior to 2005.

The Trustees consider that the historic nature of the collections, which is displayed in the National Horseracing Museum in furtherance of the Charitable Company's objects, is such that it is not appropriate to place a value on the entire collection, as the significant cost involved would be onerous compared with the additional benefit derived by the users of the financial statements.

No provision is made for diminution in value of the Museum collections, as in the opinion of the Trustees its value is maintained.

2.16 Investment in subsidiary

On the balance sheet of the Charitable Company, the interest in the subsidiary is initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

The interest in the subsidiary is assessed for impairment at each reporting date. Any impairment loss or reversal of impairment losses are recognised in the net movement in funds.

2. Accounting policies (continued)

2.17 Stocks

Stock, being goods held for resale, is stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in first out basis. Net realisable value is based on estimated selling price.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price is recognised as an impairment loss in profit or loss.

2.18 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.19 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.20 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2. Accounting policies (continued)

2.21 Financial instruments

Financial assets and financial liabilities are recognised when the Charitable Company becomes a party to the contractual provisions of the instrument.

Financial assets
Basic financial assets including trade and other receivables are initially measured at transaction price (including transaction costs) and are subsequently carried at amortised cost using the effective interest method.

Financial instruments at fair value
Investments
Investments are equity investments over which the Charitable Company has no significant influence, joint control or control and are initially measured at transaction price. Transaction price includes transaction costs, except where trade investments are measured at fair value through profit or loss when transaction costs are expensed to profit or loss as incurred. Investments are measured at fair value through profit or loss or cost less impairment if fair value cannot be measured reliably.

The fair value of investments quoted on a recognised stock exchange is the quoted bid price.

Financial liabilities
Basic financial liabilities, including trade and other payables are recognised at transaction price. Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities where payment is due within one year or less. If not, they are presented as creditors due after more than one year. Trade and other payables are subsequently measured at amortised cost.

2. Accounting policies (continued)

2.22 Fund accounting

The Charitable Company maintains various types of funds as follows:

Endowment funds
Endowment funds comprise amounts received to establish both permanent and expendable endowments.

The permanent endowment represents capital that must be retained in perpetuity.

The expendable endowment represents amounts which may, at the trustees' discretion, be applied for the charity's purposes, including to meet funding shortfalls or exceptional expenditure, or retained to generate investment income.

Investment income from the endowments is included in revenue funds to be applied for the charity's purposes.

Restricted funds
The restricted funds represent monies received to fund specific activities and to purchase certain items for the collection as set out in note 20 of the financial statements.

Unrestricted funds
General unrestricted funds represent monies which are expendable at the discretion of the Trustees in the furtherance of the objects of the Charitable Company. Such funds may be held in order to finance both working capital and capital investment.

Designated funds
The designated funds represent amounts which have been put aside out of unrestricted funds at the discretion of the Trustees. The fund reflects the unrestricted fixed assets.

2.23 Legal status of the Charitable Company

The Charitable Company has no share capital but is limited by guarantee. Every member of the Charitable Company is a guarantor and undertakes to contribute such amounts as may be required to the assets of the Charitable Company in the event of it being wound up. Each guarantor's liability is limited to £1.

3. Critical accounting estimates and areas of judgment

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance.

Critical accounting estimates and assumptions
The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The carrying value of the Museum's collection of heritage assets is held at cost and not depreciated. In concluding that these assets are not impaired management makes estimates as to the current value of the assets and their value in use.

Critical areas of judgement
In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the Charitable Company as lessee.

The Charitable Company accounts for depreciation on leasehold property in accordance with FRS 102. Properties are depreciated over their estimated useful life, taking into account any residual value. Judgements are made on the residual values and estimated useful live of the assets which are regularly reviewed. The Trustees have taken the decision to hold the leasehold property in a separate designated fixed asset fund.

4. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Donations	109,080	-	**109,080**	*184,712*
Grants	123,128	145,926	**269,054**	*318,535*
	232,208	145,926	**378,134**	*503,247*
Total 2024	*325,973*	*177,274*	*503,247*	

5. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Admissions	129,628	**129,628**	*142,544*
Other income	15,912	**15,912**	*20,972*
	145,540	**145,540**	*163,516*
Total 2024	*163,516*	*163,516*	

6. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Fundraising activities	5,074	**5,074**	*4,458*
Total 2024	*4,458*	*4,458*	

6. Income from other trading activities (continued)

Income from fundraising events (continued)

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Sales	148,254	**148,254**	*155,014*
Rent receivable	42,492	**42,492**	*31,348*
Other income	3,000	**3,000**	*196*
	193,746	**193,746**	*186,558*
Total 2024	*186,558*	*186,558*	

7. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from listed investments	151,736	**151,736**	*147,476*
Bank deposits	8,384	**8,384**	*16,907*
	160,120	**160,120**	*164,383*

8. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Fundraising costs	204,440	**204,440**	*196,150*

Other trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Administration expenses	2,492	**2,492**	*2,833*
Administration staff costs	636	**636**	*639*
	3,128	**3,128**	*3,472*

9. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	*Total funds 2024 £*
Operating the Museum	111,770	1,057,964	**1,169,734**	*1,255,397*
Total 2024	*112,576*	*1,142,821*	*1,255,397*	

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2025 £	*Total funds 2024 £*
Practical gallery wages	**24,467**	*23,214*
Exhibition and conservation	**87,303**	*89,362*
	111,770	*112,576*

Analysis of support costs

	Total funds 2025 £	*Total funds 2024 £*
Staff costs	**384,259**	*396,877*
Depreciation and loss on disposal	**158,270**	*165,372*
Property costs	**303,053**	*353,159*
Administration costs	**185,402**	*197,212*
Advertising and publicity costs	**26,980**	*30,201*
	1,057,964	*1,142,821*

10. Auditors' remuneration

	2025 £	*2024 £*
Fees payable to the Group's auditor for the audit of the Group's annual accounts	**18,750**	*18,000*
Accountancy services	**3,675**	*3,500*
Tax compliance	**675**	*650*

11. Staff costs

	Group 2025 £	*Group 2024 £*	**Company 2025 £**	*Company 2024 £*
Wages and salaries	**387,947**	*400,226*	**371,848**	*381,455*
Social security costs	**25,990**	*25,935*	**25,000**	*25,426*
Contribution to defined contribution pension schemes	**12,514**	*13,849*	**11,878**	*13,210*
	426,451	*440,010*	**408,726**	*420,091*

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

	Group 2025 No.	*Group 2024 No.*	**Company 2025 No.**	*Company 2024 No.*
Administration	**9**	*9*	**9**	*9*
Visitor Services/retail	**15**	*17*	**15**	*17*
	24	*26*	**24**	*26*

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Museum comprise the Finance Manager, Facilities Manager and the Packard Curator. The total employee remuneration, benefits, and employer costs of the key management personnel of the Charitable Group were £129,581 (2024: £112,462).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 31 December 2025, expenses totalling £967 in respect of travel consumables and guest entertainment were reimbursed or paid directly to 2 Trustees *(2024 - £521 to 2 Trustees)*.

13. Intangible assets

Group and Company

	Computer software £
Cost	
Additions	**19,800**
At 31 December 2025	**19,800**
Amortisation	
Charge for the year	**2,880**
At 31 December 2025	**2,880**
Net book value	
At 31 December 2025	**16,920**
At 31 December 2024	-

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

14. Tangible fixed assets

Group

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2025	**14,764,863**	**20,733**	**257,415**	**15,043,011**
Additions	**-**	**-**	**25,704**	**25,704**
Disposals	**-**	**-**	**(243,414)**	**(243,414)**
At 31 December 2025	**14,764,863**	**20,733**	**39,705**	**14,825,301**
Depreciation				
At 1 January 2025	**2,003,852**	**20,733**	**234,294**	**2,258,879**
Charge for the year	**141,846**	**-**	**21,601**	**163,447**
On disposals	**-**	**-**	**(243,414)**	**(243,414)**
At 31 December 2025	**2,145,698**	**20,733**	**12,481**	**2,178,912**
Net book value				
At 31 December 2025	**12,619,165**	**-**	**27,224**	**12,646,389**
At 31 December 2024	*12,761,011*	*-*	*23,121*	*12,784,132*

14. Tangible fixed assets (continued)

Company

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2025	**14,764,863**	**20,733**	**221,805**	**15,007,401**
Additions	**-**	**-**	**5,154**	**5,154**
Disposals	**-**	**-**	**(218,198)**	**(218,198)**
At 31 December 2025	**14,764,863**	**20,733**	**8,761**	**14,794,357**
Depreciation				
At 1 January 2025	**2,003,852**	**20,733**	**209,078**	**2,233,663**
Charge for the year	**141,846**	**-**	**13,544**	**155,390**
On disposals	**-**	**-**	**(218,198)**	**(218,198)**
At 31 December 2025	**2,145,698**	**20,733**	**4,424**	**2,170,855**
Net book value				
At 31 December 2025	**12,619,165**	**-**	**4,337**	**12,623,502**
At 31 December 2024	*12,761,011*	*-*	*12,727*	*12,773,738*

15. Heritage assets

Group and Company

Assets recognised at cost

	Heritage Assets £
Carrying value at 1 January 2025 and 31 December 2025	291,393
	291,393

The museum collection of over 10,000 objects including paintings, decorative art objects, silks, trophies, racing and betting equipment, racing memorabilia and an extensive documentary and photographic archive tells the story of the development of thoroughbred racing from the early 17th century to the present day. It also holds many reference books and materials in the library and archives.

The Museum's collections are an important record of horseracing from the seventeenth century to the current day and are a source of information for researchers from all over the world.

The collections are stored in the Collections Store, the Archive, the Library and in the galleries in Palace House and Trainers House.

The collection is managed by the Collections Manager and Collections Team (Graduate Trainee and Project Officer).

The public has access to the gallery spaces. Storage spaces (library, archive and store) are not accessible to the public, and the collection database is partially accessible online.

Analysis of heritage asset transactions

Group and Company

	2025 £	2024 £	2023 £	2022 £	2021 £
Donations					
Additions	-	12,726	-	-	6,225
Total additions	-	12,726	-	-	6,225

16. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 January 2025	**4,363,176**
Additions	**279,275**
Disposals	**(417,190)**
Gains/Losses	**385,828**
Movement on cash accounts	**(12,085)**
At 31 December 2025	**4,599,004**
Net book value	
At 31 December 2025	**4,599,004**
At 31 December 2024	*4,363,176*

Investments includes £19,987 *(2024: £32,072)* in cash accounts.

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 January 2025	**1**	**4,363,176**	**4,363,177**
Additions	**-**	**279,275**	**279,275**
Disposals	**-**	**(417,190)**	**(417,190)**
Revaluations	**-**	**385,828**	**385,828**
Amounts written off	**-**	**(12,085)**	**(12,085)**
At 31 December 2025	**1**	**4,599,004**	**4,599,005**
Net book value			
At 31 December 2025	**1**	**4,599,004**	**4,599,005**
At 31 December 2024	*1*	*4,363,176*	*4,363,177*

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares
Palace House Trading Limited	10343747	Palace House, Palace Street, Newmarket, Suffolk, CB8 8EP	Retail, restaurant, cafe, and event catering services	Ordinary

Holding	Included in consolidation
100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Loss £	Net liabilities £
Palace House Trading Limited	**193,746**	**(216,814)**	**(23,068)**	**(332,179)**

17. Stocks

	Group 2025 £	*Group 2024 £*
Raw materials and consumables	**349**	*349*
Finished goods and goods for resale	**37,812**	*46,747*
	38,161	*47,096*

18. Debtors

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Due within one year				
Trade debtors	**12,422**	*11,240*	**564**	*3,545*
Amounts owed by group undertakings	**-**	*-*	**56,327**	*68,500*
Other debtors	**9,367**	*30,447*	**10,229**	*32,690*
Prepayments and accrued income	**101,144**	*89,132*	**94,166**	*80,304*
	122,933	*130,819*	**161,286**	*185,039*

19. Creditors: Amounts falling due within one year

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Other loans	**-**	*70,000*	**-**	*70,000*
Trade creditors	**21,821**	*79,074*	**12,250**	*68,668*
Other taxation and social security	**8,861**	*6,899*	**7,854**	*6,107*
Other creditors	**75,440**	*92,266*	**75,345**	*92,146*
Accruals and deferred income	**169,783**	*75,022*	**150,652**	*64,521*
	275,905	*323,261*	**246,101**	*301,442*

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2025 £
Unrestricted funds						
Designated funds						
Fixed Asset Fund	**13,075,525**	**-**	**(166,327)**	**45,504**	**-**	**12,954,702**
General funds						
General Funds	**186,914**	**736,688**	**(1,052,738)**	**154,496**	**-**	**25,360**
Total Unrestricted funds	**13,262,439**	**736,688**	**(1,219,065)**	**200,000**	**-**	**12,980,062**
Endowment funds						
HLF Catalyst Endowment Permanent Fund	**2,377,679**	**-**	**-**	**-**	**214,333**	**2,592,012**
The Hon John Lambton Voluntary Settlement Permanent Fund	**741,834**	**-**	**-**	**-**	**66,873**	**808,707**
Jim Joel Legacy Scheme Expendable Fund	**32,264**	**-**	**-**	**-**	**2,908**	**35,172**
Thompson Family Charitable Trust Expendable Fund	**520,394**	**-**	**-**	**(100,000)**	**46,910**	**467,304**
The Hon John Lambton Voluntary Settlement Expendable Fund	**607,963**	**-**	**-**	**(100,000)**	**54,804**	**562,767**
	4,280,134	**-**	**-**	**(200,000)**	**385,828**	**4,465,962**

20. Statement of funds (continued)

Restricted funds						
Exhibition Donations	**27,026**	**34,137**	**(50,206)**	**-**	**-**	**10,957**
Project Posts Funding	**33,582**	**64,339**	**(81,890)**	**-**	**-**	**16,031**
Education Funds	**17,103**	**22,450**	**(22,036)**	**-**	**-**	**17,517**
Completion of Permanent Galleries	**75,125**	**-**	**-**	**-**	**-**	**75,125**
National Hunt scheme	**5,000**	**-**	**-**	**-**	**-**	**5,000**
Racing Foundation	**4,105**	**25,000**	**(4,105)**	**-**	**-**	**25,000**
	161,941	**145,926**	**(158,237)**	**-**	**-**	**149,630**
Total of funds	**17,704,514**	**882,614**	**(1,377,302)**	**-**	**385,828**	**17,595,654**

20. Statement of funds (continued)

Designated funds

The Fixed Asset fund reflects the total net book value of all fixed assets at the reporting date, including heritage assets.

Endowment funds

All capital raised for the Heritage Lottery Fund (HLF Catalyst Endowment Fund) will form a permanent fund.

The Jim Joel Legacy Scheme is an expendable fund relating to endowed income received in 2020 in recognition of Mr Joel's contribution to UK racing. This scheme is sponsored by the Childwick Trust who gave £31,000 to set up the scheme to encourage legacy giving.

The Hon John Lambton Voluntary Settlement Fund and The Thompson Family Charitable Trust Fund are for the long term support of the operation of the Charity.

Income from endowments is recognised within income funds.

Restricted funds

Exhibition Donations
This fund is for amounts received for expenditure relating to specific exhibitions.

Project Posts Funding
Represents income which has been acquired for a fixed period for the purpose of project development and funding additional employee costs in relation to the project.

Education Funds
Represents monies received to facilitate continued employment of Education Officer, education activities and marketing of the education function.

Completion of Permanent Galleries
Funds received to facilitate works to complete and improve the galleries and visitor experience.

National Hunt Scheme
Grant awarded to help sustain the core activities of the National Hunt gallery.

Racing Foundation
This grant is restricted for use towards the activities and associated costs to deliver the Creative Programme.

NLHF
Grant from the National Lottery Heritage Fund to develop new commercial income.

Retaining of racehorses
Grant monies receivable from Retraining of Racehorses for retaining racehorses' onsite.

Transfers

An amount of £200,000 was transferred from expendable endowment funds to unrestricted general funds.

20. Statement of funds (continued)

An amount of £45,504 was transferred from unrestricted general funds to the Fixed Asset fund representing the additions to fixed assets made in the year.

Statement of funds - prior year

	Balance at 1 January 2024 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*As restated Balance at 31 December 2024* £
Unrestricted funds						
Designated funds						
Fixed Asset Fund	*13,223,263*	*-*	*(169,004)*	*21,266*	*-*	*13,075,525*
General funds						
General Funds	*291,317*	*844,888*	*(1,062,532)*	*113,241*	*-*	*186,914*
Total Unrestricted funds	*13,514,580*	*844,888*	*(1,231,536)*	*134,507*	*-*	*13,262,439*
Endowment funds						
HLF Catalyst Endowment Permanent Fund	*2,263,502*	*-*	*-*	*-*	*114,177*	*2,377,679*
The Hon John Lambton Voluntary Settlement Permanent Fund	*706,211*	*-*	*-*	*-*	*35,623*	*741,834*
Jim Joel Legacy Scheme Expendable Fund	*30,715*	*-*	*-*	*-*	*1,549*	*32,264*

20. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 January 2024 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 December 2024* £
Thompson Family Charitable Trust Expendable Fund	*495,405*	*-*	*-*	*-*	*24,989*	*520,394*
The Hon John Lambton Voluntary Settlement Expendable Fund	*578,768*	*-*	*-*	*-*	*29,195*	*607,963*
	4,074,601	*-*	*-*	*-*	*205,533*	*4,280,134*
Restricted funds						
Museum Collection Purchases	*136,689*	*-*	*-*	*(136,689)*	*-*	*-*
Exhibition Donations	*37,413*	*30,000*	*(40,387)*	*-*	*-*	*27,026*
Project Posts Funding	*46,813*	*83,774*	*(97,005)*	*-*	*-*	*33,582*
Education Funds	*34,993*	*8,500*	*(28,572)*	*2,182*	*-*	*17,103*
Completion of Permanent Galleries	*59,193*	*20,000*	*(4,068)*	*-*	*-*	*75,125*
National Hunt scheme	*5,000*	*-*	*-*	*-*	*-*	*5,000*
Racing Foundation	*22,556*	*35,000*	*(53,451)*	*-*	*-*	*4,105*
	342,657	*177,274*	*(223,483)*	*(134,507)*	*-*	*161,941*
Total of funds	*17,931,838*	*1,022,162*	*(1,455,019)*	*-*	*205,533*	*17,704,514*

21. Summary of funds

Summary of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2025 £
Designated funds	**13,075,525**	**-**	**(166,327)**	**45,504**	**-**	**12,954,702**
General funds	**186,914**	**736,688**	**(1,052,738)**	**154,496**	**-**	**25,360**
Endowment funds	**4,280,134**	**-**	**-**	**(200,000)**	**385,828**	**4,465,962**
Restricted funds	**161,941**	**145,926**	**(158,237)**	**-**	**-**	**149,630**
	17,704,514	**882,614**	**(1,377,302)**	**-**	**385,828**	**17,595,654**

Summary of funds - prior year

	Balance at 1 January 2024 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 December 2024 £*
Designated funds	*13,223,263*	*-*	*(169,004)*	*21,266*	*-*	*13,075,525*
General funds	*291,317*	*844,888*	*(1,062,532)*	*113,241*	*-*	*186,914*
Endowment funds	*4,074,601*	*-*	*-*	*-*	*205,533*	*4,280,134*
Restricted funds	*342,657*	*177,274*	*(223,483)*	*(134,507)*	*-*	*161,941*
	17,931,838	*1,022,162*	*(1,455,019)*	*-*	*205,533*	*17,704,514*

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £
Tangible fixed assets	12,646,389	-	-	**12,646,389**
Intangible fixed assets	16,920	-	-	**16,920**
Fixed asset investments	133,042	-	4,465,962	**4,599,004**
Heritage assets	291,393	-	-	**291,393**
Current assets	168,223	149,630	-	**317,853**
Creditors due within one year	(275,905)	-	-	**(275,905)**
Total	12,980,062	149,630	4,465,962	**17,595,654**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Endowment funds 2024 £*	*Total funds 2024 £*
Tangible fixed assets	*12,784,132*	-	-	*12,784,132*
Fixed asset investments	*83,042*	-	*4,280,134*	*4,363,176*
Heritage assets	*291,393*	-	-	*291,393*
Current assets	*427,133*	*161,941*	-	*589,074*
Creditors due within one year	*(323,261)*	-	-	*(323,261)*
Total	*13,262,439*	*161,941*	*4,280,134*	*17,704,514*

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	*Group 2024 £*
Net expenditure for the year (as per Statement of Financial Activities)	**(108,860)**	*(227,324)*
Adjustments for:		
Depreciation charges	**163,447**	*151,131*
Amortisation charges	**2,880**	*-*
(Gains)/losses on investments	**(385,828)**	*(205,533)*
Investment income	**(148,227)**	*(164,383)*
Decrease/(increase) in stocks	**4,712**	*(14,368)*
Decrease/(increase) in debtors	**7,886**	*(41,982)*
Increase/(decrease) in creditors	**(84)**	*38,990*
Net cash used in operating activities	**(464,074)**	*(463,469)*

24. Analysis of cash and cash equivalents

	Group 2025 £	*Group 2024 £*
Cash at bank and in hand	**156,759**	*411,159*
Total cash and cash equivalents	**156,759**	*411,159*

25. Analysis of changes in net debt

	At 1 January 2025 £	Cash flows £	At 31 December 2025 £
Cash at bank and in hand	**411,159**	**(254,400)**	**156,759**
Debt due within 1 year	**(70,000)**	**70,000**	**-**
	341,159	**(184,400)**	**156,759**

26. Capital commitments

	Group 2025 £	*Group 2024 £*
Contracted for but not provided in these financial statements		
Acquisition of intangible assets	**-**	*20,375*

27. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The contributions payable by the group at year end are £2,231 (*2024: £*2,225), which is shown in other creditors.

28. Related party transactions

Donations were made by the Friends of the National Horseracing Museum of £nil *(2024: £50,473)*.

The Charitable Company is a member of Discover Newmarket, a community interest company (registration number 09362242). During the year income of £15,973, *(2024: £16,039)* was received from this association in the form of admissions and cafe revenue and purchases in the year totalled £35,402 *(2024: £44,510)*. At the year end, a balance of £2,979 (*2024: £7,546)* was owed by the group.

As authorised by the Company's Articles of Association, Trustees indemnity insurance has been purchased as a part of the insurance cover of the Charitable Company as a whole and is not separately identified within total insurance costs of £30,603 *(2024: £26,887)*.

During the year the Charitable Company recharged costs of £88,428, *(2024: £67,534)* to its subsidiary Palace House Trading Ltd. At the year end, a balance of £73,434 *(2024: £68,500)* was owed by the subsidiary and was recognised in debtors of the Charitable Company. A further balance of £309,110 *(2024: £309,110)* owed by the subsidiary has been provided against. During the year there was a management charge totalling £28,980 *(2024: £34,822)* between the Charitable Company and its subsidiary Palace House Trading Ltd.

The Charitable Company received a loan of £Nil *(2024:* £70,000) from New England Stud Farm Limited, a company owned by one of the trustees. The loan was interest free and repaid in the year.

29. Funds held for third parties

During the year the Group and the Charity received cash of £56,249 *(2024: £70,872)* on behalf of Presents Galore which is held within the Charity's bank account. Presents Galore is a fundraising event which raises money via a Christmas fair, all proceeds of which are split between the Charity and Cambridge Children's Hospital. At the year end £56,249 *(2024: £*70,872) was owed to Presents Galore and is included within other creditors in the financial statements.