

NATIONAL ARMY MUSEUM TRADING LIMITED
FINANCIAL STATEMENTS
31 MARCH 2016

Company Registration Number 06707366

NATIONAL ARMY MUSEUM TRADING LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

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NATIONAL ARMY MUSEUM TRADING LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2016

The directors present their report and the financial statements of the company for the year ended 31 March 2016

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was conducting trading operations for the National Army Museum.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year were as follows:

Mrs J Murray
Mr J P F Bradley
Mr D K Smurthwaite
Ms J A Spungin

(Appointed 2 June 15)

RESULTS & CHARITABLE CONTRIBUTIONS

The Company reported a trading loss of £20,513 for the period.

Profits chargeable to corporation tax are gift aided to the parent undertaking, a registered charity. No dividends were payable for the year (2015: nil).

During the period the company made charitable contributions totalling £25,595 in respect of the donation of last year's trading profit to its parent undertaking.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the profit or loss of the company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:
National Army Museum
Royal Hospital Road
London
SW3 4HT

Signed on behalf of the directors

Mrs J Murray
Director



Approved by the directors on 11/7/16

NATIONAL ARMY MUSEUM TRADING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NATIONAL ARMY MUSEUM TRADING LIMITED

YEAR ENDED 31 MARCH 2016

We have audited the financial statements of National Army Museum Trading Limited for the year ended 31 March 2016. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemptions from the requirement to prepare a strategic report.

One Jubilee Street
Brighton
East Sussex
BN1 1GE

13 July 2016

Kreston Reeves LLP

ALEXANDER SPOFFORTH BA FCA
(Senior Statutory Auditor)
For and on behalf of
KRESTON REEVES LLP
Chartered Accountants & Statutory Auditor

NATIONAL ARMY MUSEUM TRADING LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2016

	Note	2016 £	2015 £
TURNOVER		44,141	78,360
Cost of sales		<u>9,157</u>	<u>17,184</u>
GROSS PROFIT		34,984	61,176
Administrative expenses		<u>55,527</u>	<u>35,640</u>
OPERATING (LOSS)/PROFIT	2	(20,543)	25,536
Interest receivable		30	59
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(20,513)	25,595
Tax on (loss)/profit on ordinary activities		-	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(20,513)	25,595
Gift Aid payment to National Army Museum	4	-	25,595
LOSS FOR THE FINANCIAL YEAR		(20,513)	-

The notes on pages 5 to 6 form part of these financial statements.

NATIONAL ARMY MUSEUM TRADING LIMITED

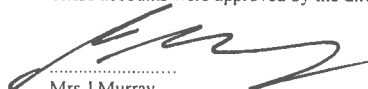
BALANCE SHEET

31 MARCH 2016

		2016		2015	
	Note	£	£	£	£
CURRENT ASSETS					
Stocks		35,538		37,148	
Debtors	5	3,807		14,817	
Cash at bank and in hand		<u>31,280</u>		<u>65,541</u>	
		70,625		117,506	
CREDITORS: Amounts falling due within one year					
	6	<u>91,137</u>		<u>117,505</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(20,512)</u>		<u>1</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(20,512)</u>		<u>1</u>
CAPITAL AND RESERVES					
Called up equity share capital	8		1		1
Profit and loss account	9		<u>(20,513)</u>		<u>-</u>
(DEFICIT)/SHAREHOLDERS' FUNDS			<u>(20,512)</u>		<u>1</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These accounts were approved by the directors and authorised for issue on 11/7/16, and are signed on their behalf by:



 Mrs J Murray

Company Registration Number: 06707366

The notes on pages 5 to 6 form part of these financial statements.

NATIONAL ARMY MUSEUM TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

(b) Turnover

The turnover shown in the profit and loss account represents amounts earned during the year from retail sales, room hire, birthday parties, children's soft play activities and related services, exclusive of Value Added Tax.

(c) Fixed assets

All fixed assets are initially recorded at cost

(d) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

(e) Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

(f) Going concern

During the whole of the period the Museum remained closed and continues to do so which has resulted in a severely reduced level of trading activity. The company's parent company, the National Army Museum, has confirmed its support of the company during this period and as a result the directors consider the company to be a going concern and that it is appropriate to prepare the financial statements on this basis.

(g) Cash flow statement

The directors have taken advantage of the exemption provided in the Financial Reporting Standard for Smaller Entities (effective January 2015), from including a cash flow statement in the financial statements on the grounds that the company is small.

2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2016	2015
	£	£
Directors' remuneration	-	-
Staff pension contributions	1,340	1,200
Auditor's fees	4,150	3,500
	<u>4,150</u>	<u>3,500</u>

The auditors performed no non-audit work during the year.

3. RECHARGE OF COSTS

The National Army Museum, the Company's ultimate parent undertaking, charged the Company at cost for all services provided to it including work done by National Army Museum staff on behalf of the Company. The charge for the period is £5,518 (2015: £8,629). National Army Museum Trading Limited also charged the National Army Museum at cost for work done by National Army Museum Trading Limited staff and contractors on behalf of the National Army Museum. The charge for the period is £48,821 (2015: £40,479).

NATIONAL ARMY MUSEUM TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

4. GIFT AID AND TAXATION

The Company gift aids all of its taxable profits over to its parent undertaking, which is a registered charity. Therefore no liability to corporation tax will arise on this Company's results in the current or future periods.

5. DEBTORS

	2016	2015
	£	£
Trade debtors	1,644	2,642
VAT recoverable	684	—
Other debtors	8	11,097
Prepayments and accrued income	1,471	1,078
	<u>3,807</u>	<u>14,817</u>

6. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	328	563
Amounts owed to group undertakings	57,672	77,750
Taxation and social security	—	2,647
Other creditors	33,137	36,545
	<u>91,137</u>	<u>117,505</u>

7. RELATED PARTY TRANSACTIONS

Amounts owed to the Company's parent undertaking are shown in note 6 and costs recharged between the company and its parent undertaking are disclosed on note 3 to the financial statements

8. SHARE CAPITAL

Authorised share capital:

	2016	2015
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2016		2015	
	No	£	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

9. PROFIT AND LOSS ACCOUNT

	2016	2015
	£	£
Loss for the financial year	<u>(20,513)</u>	—
Balance carried forward	<u>(20,513)</u>	—

10. ULTIMATE PARENT AND CONTROLLING PARTY

The ultimate parent company is the National Army Museum.

The ultimate controlling party is the Trustees of the National Army Museum.

NATIONAL ARMY MUSEUM TRADING LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 31 MARCH 2016

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on page 2**

NATIONAL ARMY MUSEUM TRADING LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2016

	2016		2015	
	£	£	£	£
TURNOVER				
Museum Shop Sales		2,759		20,745
Catering Commission		–		1,309
Reproduction Fees		28,386		27,167
Room Hire		–		6,907
Kids Zone Income		–		11,364
Other Trading Income		12,996		10,868
		<u>44,141</u>		<u>78,360</u>
COST OF SALES				
Opening stock	37,148		44,862	
Purchases	7,547		6,480	
Room Hire	–		2,990	
	<u>44,695</u>		<u>54,332</u>	
Closing stock	(35,538)		(37,148)	
		<u>9,157</u>		<u>17,184</u>
GROSS PROFIT		34,984		61,176
OVERHEADS				
Administrative staff salaries	19,542		21,158	
Contractors fees	3,359		–	
Staff pension contributions	1,340		1,200	
Insurance	–		289	
Repairs and maintenance	22		1,120	
Travel and subsistence	355		462	
Printing, stationery and postage	–		72	
Staff training	–		421	
Staff recruitment	13,888		170	
Online ticketing commissions	–		584	
Membership and subscriptions	157		64	
Hospitality	190		117	
Legal and professional fees	8,661		877	
Accountancy fees	3,060		2,360	
Auditors remuneration	4,150		3,500	
Bad debts	(578)		580	
Bank charges	87		45	
Credit card fees and charges	1,294		2,621	
		<u>55,527</u>		<u>35,640</u>
OPERATING (LOSS)/PROFIT		(20,543)		25,536
Bank interest receivable		<u>30</u>		<u>59</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES		(20,513)		25,595