

National Army Museum Trading Limited
Financial Statements
31 March 2025

National Army Museum Trading Limited

Financial Statements

Year ended 31 March 2025

Contents	Page
Directors' report	1
Independent auditor's report to the members	2
Statement of income and retained earnings	5
Statement of financial position	6
Notes to the financial statements	7
The following pages do not form part of the financial statements	
Detailed income statement	12
Notes to the detailed income statement	13

National Army Museum Trading Limited

Directors' Report

Year ended 31 March 2025

The directors present their report and the financial statements of the company for the year ended 31 March 2025.

Directors

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

Mr J Webb
Mr M Hayes
Dr J Naylor
Ms A Marshall
Mrs J Donovan CBE (Resigned 23 October 2024)

Directors' responsibilities statement

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 the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent.

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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

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

This report was approved by the board of directors on 15 October 2025 and signed on behalf of the board by:

Dr J Naylor
Director

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

National Army Museum Trading Limited

Independent Auditor's Report to the Members of National Army Museum Trading Limited

Year ended 31 March 2025

Opinion

We have audited the financial statements of National Army Museum Trading Limited (the 'Company') for the year ended 31st March 2025, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity 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 Company's affairs as at 31 March 2025 and of its profit 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 Company 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 directors' 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

National Army Museum Trading Limited

Independent Auditor's Report to the Members of National Army Museum Trading Limited *(continued)*

Year ended 31 March 2025

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement 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, and for such internal control as the directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

National Army Museum Trading Limited

Independent Auditor's Report to the Members of National Army Museum Trading Limited *(continued)*

Year ended 31 March 2025

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and relevant tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 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 company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Alexander Bottom ACA (Senior Statutory Auditor)

For and on behalf of
Hillier Hopkins LLP
Chartered Accountants & statutory auditor
Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

20 October 2025

National Army Museum Trading Limited

Statement of Income and Retained Earnings

Year ended 31 March 2025

	Note	2025 £	2024 £
Turnover		1,019,935	565,681
Cost of sales		<u>409,642</u>	<u>156,660</u>
Gross profit		610,293	409,021
Administrative expenses		<u>409,683</u>	<u>367,244</u>
Operating profit		200,610	41,777
Other interest receivable and similar income		4,040	1,134
Interest payable and similar expenses		<u>466</u>	<u>953</u>
Profit before taxation	7	204,184	41,958
Tax on profit		<u>—</u>	<u>—</u>
Profit for the financial year and total comprehensive income		<u>204,184</u>	<u>41,958</u>
Dividends paid and payable		(204,184)	(41,958)
Retained earnings at the start of the year		<u>—</u>	<u>—</u>
Retained earnings at the end of the year		<u>—</u>	<u>—</u>

All the activities of the company are from continuing operations.

The notes on pages 7 to 10 form part of these financial statements.

National Army Museum Trading Limited

Statement of Financial Position

31 March 2025

	Note	2025 £	£	2024 £
Fixed assets				
Tangible assets	8		890	1,112
Current assets				
Stocks		55,847		56,929
Debtors	9	92,350		13,153
Cash at bank and in hand		224,928		146,519
		373,125		216,601
Creditors: amounts falling due within one year	10	323,846		156,886
Net current assets			49,279	59,715
Total assets less current liabilities			50,169	60,827
Creditors: amounts falling due after more than one year	11		–	10,616
Provisions				
Taxation including deferred tax			169	211
Net assets			50,000	50,000
Capital and reserves				
Called up share capital			50,000	50,000
Shareholders funds			50,000	50,000

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 15 October 2025, and are signed on behalf of the board by:

Dr J Naylor
Director

Company registration number: 06707366

The notes on pages 7 to 10 form part of these financial statements.

National Army Museum Trading Limited

Notes to the Financial Statements

Year ended 31 March 2025

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is National Army Museum, Royal Hospital Road, London, SW3 4HT.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

(a) Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

(b) Going concern

The company has continued to be profitable and cash flow positive since the year end with profits forecast to continue. This, coupled with the continuing support of its parent, results in the directors considering that the going concern assumption is appropriate.

(c) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. In preparing these financial statements, the directors have made the following judgements:

- Determine whether a provision should be made in relation to potential obsolescence of stock. Included in closing stock are provisions of £14,740 (2024: £25,045) against slow moving stock. This is based upon their knowledge of the products held and their experience of the business. If this judgement is incorrect then the value of stock could be overstated.

(d) Revenue recognition

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, together with income under contracts for development and support services, exclusive of Value Added Tax.

Contract income is included based on the allocation of income to satisfied performance obligations on specific contracts entered into with customers of the company.

(e) Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period.

The company has entered into a deed of covenant with its parent company obligating it to donate the lower of its taxable or distributable profits within nine months of the year end.

Deferred tax is recognised in respect of all other timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

(f) Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

National Army Museum Trading Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

3. Accounting policies *(continued)*

(g) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 10 years straight line

(h) Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

(i) Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

(j) 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.

(k) Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

4. Corporation tax charge

There is a small current taxation liability for the year as a result of the deed of covenant donation being restricted to the company's distributable profit. No taxation charge arises for the year as a result of the liability being matched by a reduction in the deferred tax provision.

5. Auditor's remuneration

	2025	2024
	£	£
Fees payable for the audit of the financial statements	<u>9,775</u>	<u>8,475</u>

6. Employee numbers

The average number of persons employed by the company during the year amounted to 14 (2024: 14).

National Army Museum Trading Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

7. Profit before taxation

Profit before taxation is stated after charging:

	2025	2024
	£	£
Depreciation of tangible assets	<u>222</u>	<u>223</u>

8. Tangible assets

	Fixtures and fittings £	Total £
Cost		
At 1 April 2024 and 31 March 2025	<u>2,224</u>	<u>2,224</u>
Depreciation		
At 1 April 2024	1,112	1,112
Charge for the year	<u>222</u>	<u>222</u>
At 31 March 2025	<u>1,334</u>	<u>1,334</u>
Carrying amount		
At 31 March 2025	<u>890</u>	<u>890</u>
At 31 March 2024	<u>1,112</u>	<u>1,112</u>

9. Debtors

	2025	2024
	£	£
Trade debtors	57,378	12,323
Amounts owed by parent undertaking	19,622	—
Other debtors	15,350	830
	<u>92,350</u>	<u>13,153</u>

10. Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	4,809	10,956
Amounts owed to parent undertaking	10,616	29,972
Corporation tax	42	43
Social security and other taxes	20,131	17,256
Amount owed to parent undertaking under deed of covenant	204,184	41,958
Other creditors	84,064	56,701
	<u>323,846</u>	<u>156,886</u>

Amount owed to parent undertaking includes £10,616 (2024: £25,134) in respect of the capital repayments due within one year on a loan from the parent. Further details of this loan are given in note 11.

11. Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Amounts owed to parent undertaking	<u>—</u>	<u>10,616</u>

National Army Museum Trading Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

11. Creditors: amounts falling due after more than one year *(continued)*

	2025	2024
	£	£
Maturity analysis:		
Between 1-2 years by instalments	-	10,616
	<u> </u>	<u> </u>

The company had an unsecured loan of £140,000 from its parent at 31 March 2021. The loan is repayable by August 2025, with payments having commenced in September 2021 and carries interest at a fixed rate of 1%.

12. Controlling party

The ultimate parent undertaking is the National Army Museum.

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

National Army Museum Trading Limited

Management Information

Year ended 31 March 2025

The following pages do not form part of the financial statements.

National Army Museum Trading Limited

Detailed Income Statement

Year ended 31 March 2025

	2025 £	2024 £
Turnover		
Museum Shop Sales	143,993	131,132
Catering Commission	51,976	40,960
Room Hire	120,639	86,376
Playbase Income	148,206	152,964
Birthday Parties	152,318	152,814
Other Trading Income	2,803	1,435
Consultancy Contract Income	400,000	—
	<u>1,019,935</u>	<u>565,681</u>
 Cost of sales		
Opening stock	56,929	31,362
Purchases	83,425	105,206
Room Hire and Party Costs	86,780	77,021
Consultancy Contract Costs	238,355	—
	<u>465,489</u>	<u>213,589</u>
 Closing stock	55,847	56,929
	<u>409,642</u>	<u>156,660</u>
 Gross profit	<u>610,293</u>	<u>409,021</u>
 Overheads		
Administrative expenses	409,683	367,244
	<u>409,683</u>	<u>367,244</u>
 Operating profit	<u>200,610</u>	<u>41,777</u>
 Other interest receivable and similar income	4,040	1,134
Interest payable and similar expenses	(466)	(953)
	<u>3,574</u>	<u>218</u>
 Profit before taxation	<u><u>204,184</u></u>	<u><u>41,958</u></u>

National Army Museum Trading Limited

Notes to the Detailed Income Statement

Year ended 31 March 2025

	2025 £	2024 £
Administrative expenses		
Administrative staff salaries	345,634	276,444
Contractors fees	(536)	11,195
Staff pension contributions	24,971	24,086
Repairs and maintenance	4,042	5,739
Travel and subsistence	1,516	1,782
Printing postage and stationery	692	38
Staff training and welfare	155	—
Staff recruitment	149	2,432
Membership and subscriptions	275	250
Legal and professional fees	6,169	11,678
Consultancy fees	—	9,000
Accountancy fees	7,400	7,280
Auditors remuneration	9,775	8,475
Depreciation of fixtures and fittings	222	223
Credit card charges	8,645	8,433
Bank charges	574	189
	<u>409,683</u>	<u>367,244</u>
 Other interest receivable and similar income		
Bank interest receivable	<u>4,040</u>	<u>1,134</u>
 Interest payable and similar expenses		
Other interest payable and similar charges	<u>466</u>	<u>953</u>