

**FALKLAND ISLANDS MUSEUM
AND NATIONAL TRUST**

Report and Financial Statements

Year ended 30 June 2024

Registered as a charity in the Falkland Islands number C6(E)

**FALKLAND ISLANDS MUSEUM
AND NATIONAL TRUST**

REPORT AND FINANCIAL STATEMENTS 2024

CONTENTS	Page
Trustees' report	1
Statement of trustees' responsibilities	2
Independent auditors' report	3-5
Income and expenditure account	6
Balance sheet	7
Notes to the financial statements	8-13
Additional unaudited information	14

FALKLAND ISLANDS MUSEUM AND NATIONAL TRUST

TRUSTEES' REPORT

The trustees present their report, together with the audited financial statements for the year ended 30 June 2024.

RESULTS

The Museum Fund surplus for the year was £182,219 (2023: surplus £358,156). The balance of reserves, excluding Special Funds, now totals £1,007,177 (2023: £769,810), and on Special Funds £362,128 (2023: £417,276).

REVIEW OF THE BUSINESS AND PLANS FOR THE FUTURE

The Trust is registered as a charity, number C6(E), in the Falkland Islands and the principal activity during the year was that of operating a museum. The trustees are pleased with the results for the year of operation at the Historic Dockyard site with a strong year for cruise ship visits.

The construction of a new exhibition hall, to contain some larger exhibits and permit better custodianship and conservation of other items for the Trust, has slowed following completion of the groundworks due to lack of confidence in the contractor and the consequent need to go out to tender again for the erection of the building. However, a highlight of the year was the arrival of two major artifacts from the UK, a Harrier plane and a Lynx helicopter, which will form part of the exhibits for the 1982 display for the new exhibition hall.

During the year, the Trust expanded its National Trust work by organising a visit by stonemasons to assist in the repair and preservation of stone corrals around the Islands and continuing with a major project to ensure the preservation of the Cape Pembroke Lighthouse. Plans are in hand for works to other items of historic importance.

The property known as Admiralty Cottage, Stanley was donated to the Trust in July 2022, with a further amount to renovate the building. It was not possible to renovate the building due to its poor state, but construction works have largely been completed to construct two flats on the site which will generate rental income for the Trust and provide accommodation to visiting specialists.

BASIS OF PREPARATION

As at 30 June 2024 the Trust has net current assets of £930,055. and cash of £1,204,158. The Trust is funded primarily through retained earnings and grant income from the Falkland Islands Government.

As a consequence of the funding agreed for the year to 30 June 2025 and the previously unspent reserves, the trustees believe that the Trust is reasonably well placed to operate for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis.

TRUSTEES

The trustees during the year and to the date of this report were as follows:

Steuart Barlow- Chair (appointed 14 August 2024)
Emma Brook
Jan Cheek
Richard Cockwell
Paul Ellis
John Hellowell (resigned 24 July 2024)
Tim Miller
Geoff Pring

The trustees shall hold office as regulated under Section 4(2) of the Museum and National Trust Ordinance 1991.

By order of the board of trustees


Secretary

FALKLAND ISLANDS MUSEUM AND NATIONAL TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Falkland Islands Finance and Audit Ordinance 1988 requires the trustees to prepare financial statements for each financial year which give a true and fair view in accordance with the accounting requirements of the Falkland Islands of the state of affairs of the Trust and of the result of the Trust for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Museum and National Trust Ordinance 1991. They are also responsible for the system of internal control and for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE FALKLAND ISLANDS MUSEUM AND NATIONAL TRUST

Opinion

We have audited the financial statements of Falkland Islands Museum and National Trust (the 'trust') for the year ended 30 June 2024 which comprise Income and Expenditure Account, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is the Museum and National Trust Ordinance 1991 and the Finance and Audit Ordinance 1988 and the accounting policies set out therein.

In our opinion, the financial statements:

- give a true and fair view of the state of the trust's affairs as at 30 June 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with applicable Falkland Islands law and International Standards on Auditing (UK and Ireland).
- comply with the Museum and National Trust Ordinance 1991 and the Finance and Audit Ordinance 1988.

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 "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trust'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.

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's 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.

Matters on which we are required to report by exception

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE FALKLAND ISLANDS MUSEUM AND NATIONAL TRUST

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees 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 trust'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 trust 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 auditor's 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the trust and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the trust which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Museum and National Trust Ordinance 1991 and the Finance and Audit Ordinance 1988 and the accounting policies set out therein.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE FALKLAND ISLANDS MUSEUM AND NATIONAL TRUST

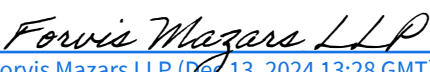
There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

Use of the audit report

This report is made solely to the trust's members as a body. Our audit work has been undertaken so that we might state to the trust'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 trust and the trust's members as a body for our audit work, for this report, or for the opinions we have formed.

Forvis Mazars LLP Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol
BS1 6DP
Date: 12/13/2024


Forvis Mazars LLP (Dec 13, 2024 13:28 GMT)

**FALKLAND ISLANDS MUSEUM
AND NATIONAL TRUST**

INCOME AND EXPENDITURE ACCOUNT
Year ended 30 June 2024

	Note	2024 £	2023 £
TURNOVER	2	699,667	495,872
Cost of sales		<u>(57,003)</u>	<u>(59,112)</u>
Gross profit		642,664	436,760
Administrative expenses		<u>(947,850)</u>	<u>(452,005)</u>
Deficit before other operating income		(305,186)	(15,245)
Other operating income	3	<u>487,405</u>	<u>373,401</u>
SURPLUS FOR THE YEAR	4	<u><u>182,219</u></u>	<u><u>358,156</u></u>

The Trust has no recognised gains or losses other than the above surplus for the current and prior year.

The accompanying notes are an integral part of this income and expenditure account.

All amounts relate to continuing operations.

**FALKLAND ISLANDS MUSEUM
AND NATIONAL TRUST**

**BALANCE SHEET
At 30 June 2024**

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible fixed assets:			
Operational assets	6	1,403,449	1,434,314
Exhibits	7	771	771
Assets under construction	8	393,699	322,567
		<u>1,797,919</u>	<u>1,757,652</u>
CURRENT ASSETS			
Stock	9	72,489	54,160
Debtors	10	59,623	21,587
Cash at bank and in hand		1,204,158	801,680
		<u>1,336,270</u>	<u>877,427</u>
CURRENT LIABILITIES			
Creditors - amounts falling due within one year	11	(406,215)	(54,673)
NET CURRENT ASSETS			
		<u>930,055</u>	<u>822,754</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		2,727,974	2,580,406
Creditors - amounts falling due after more than one year	12	(1,358,669)	(1,393,320)
NET ASSETS			
		<u>1,369,305</u>	<u>1,187,086</u>
CAPITAL AND RESERVES			
Museum fund	14	1,007,177	769,810
Special funds	13, 14	362,128	417,276
TOTAL TRUST FUNDS			
	14	<u>1,369,305</u>	<u>1,187,086</u>

Approved by the Trustees on 2nd Dec' 2024 ,





Trustees

FALKLAND ISLANDS MUSEUM AND NATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 30 June 2024

1. ACCOUNTING POLICIES

The principal accounting policies adopted by the Trust are described below and have been applied consistently in the current and prior year. The financial statements have been prepared in accordance with United Kingdom accounting standards.

Basis of preparation

As at 30 June 2024 the Trust has net current assets of £930,054 and cash of £1,204,158. The Trust is set up primarily to break even after receipt of grant income. The Trust is funded primarily through retained earnings and grant income from the Falkland Islands Government.

As a consequence of the funding received for the year to 30 June 2025 and the previously unspent reserves, the Trustees believe that the Trust is reasonably well placed to operate for the foreseeable and accordingly the financial statements have been prepared on a going concern basis.

Accounting convention

These financial statements are prepared under the historical cost convention.

Turnover

Turnover includes entrance fees to the Museum and donations received which are recognised on receipt. Grants directed for a specific purpose are recognised in line with costs incurred. The sale of goods is recognised when the goods are physically delivered to the customer.

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. No depreciation is charged in respect of freehold land, assets under construction, or assets not yet brought into use. Depreciation on other categories is provided at rates to write off the cost of each asset on a straight-line basis at the following annual rates:

Buildings	2% (previously 10%)
Computer equipment	33%
Museum and office equipment	20%
Motor vehicles	20%

No depreciation is charged in respect of exhibited assets, which are recorded at original purchase cost, as their condition is not considered to deteriorate over time.

Donated exhibits

No value is reflected in the financial statements for donated exhibits.

Sale of exhibits

Proceeds of sales of purchased exhibits are set against their purchase cost with any gain or loss arising being charged to the income and expenditure account.

Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less all further costs to completion and all relevant marketing, selling and distribution costs. Adjustments are made for slow moving and obsolete stock.

Government subsidies

The Falkland Islands Government provides financial support by way of subsidies. These subsidies take the form of drawdowns by the Falkland Islands Museum and National Trust to cover operating expenses and are related to the value of landing fees from cruise ship passengers received by the Falkland Islands Government during the tourist season.

Government Subventions received, in respect of revenue expenditure incurred in relation to the Dockyard Development, are treated as income and matched to the expenditure, except when they are deemed to be capital items.

**FALKLAND ISLANDS MUSEUM
AND NATIONAL TRUST**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 June 2024

1. ACCOUNTING POLICIES (CONTINUED)

Special funds

Special funds represent income received which is restricted or designated by the Trustees to being spent in a defined manner on specific projects. On an annual basis, the grant received in connection with the building of the Dockyard development is moved from special funds into deferred capital grants and released in line with the depreciation charged to the Income and Expenditure account.

Cash flow statement

The financial statements do not include a cash flow statement because the Trust, as a small entity, is exempt from the requirement to prepare such a statement.

Grants

Grants in respect of capital expenditure are recorded in the balance sheet as deferred income within creditors and released to the income and expenditure account over the life of the related fixed assets.

2. TURNOVER

The Trust engages in only one class of business in one location. Turnover for the year was as follows:

	2024	2023
	£	£
Donations and grants	592,438	389,425
Fundraising events	3,206	4,382
Entry fees	12,291	11,028
Sale of merchandise	91,732	91,037
	<u>699,667</u>	<u>495,872</u>

3. OTHER OPERATING INCOME

	2024	2023
	£	£
Income from landing fees/Government subsidy	434,442	326,784
Venue hire/rent received	4,800	4,200
Sundry income	8,336	26,783
Interest received	39,827	15,634
	<u>487,405</u>	<u>373,401</u>

4. SURPLUS FOR THE YEAR

The surplus for the year is stated after charging

	2024	2023
	£	£
Wages and salaries	254,730	231,583
Auditors' remuneration	4,830	6,915
Depreciation	<u>40,582</u>	<u>44,322</u>

None of the trustees received any payments from the Trust during the year or prior year in respect of their services as trustees.

**FALKLAND ISLANDS MUSEUM
AND NATIONAL TRUST**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 June 2024

5. TAXATION

In accordance with the Museum and National Trust Ordinance 1991, the income of the Trust is exempt from any form of taxation in the Falkland Islands.

6. TANGIBLE FIXED ASSETS – OPERATIONAL ASSETS

	Land & buildings £	Computer equipment £	Museum & office equipment £	Vehicles £	Total £
Cost:					
At 1 July 2023	1,735,835	33,511	99,231	19,383	1,887,960
Additions	-	2,609	7,108	-	9,717
Disposals	(133)	(4,127)	(620)	-	(4,880)
At 30 June 2024	1,735,702	31,993	105,719	19,383	1,892,797
Depreciation:					
At 1 July 2023	306,665	33,511	97,966	15,504	453,646
Charge for year	34,650	869	1,184	3,879	40,582
On disposals	(133)	(4,127)	(620)	-	(4,880)
At 30 June 2024	341,182	30,253	98,530	19,383	489,348
Net book value:					
At 30 June 2024	1,394,520	1,740	7,189	-	1,403,449
At 30 June 2023	1,429,170	-	1,265	3,879	1,434,314

In 1993, the land and buildings of Cartmell House were transferred to the Trust for £nil consideration by a benefactor. In 2017, the land and buildings of the Hawk's Nest Shanty were transferred to the Trust for £nil consideration by two separate benefactors. These conveyances were complete subject to the buildings being retained and preserved by the Trust as buildings of historic interest.

Buildings on which rent is received are recognised as fixed assets because the property is occupied in line with the charitable objectives of the Trust.

7. TANGIBLE FIXED ASSETS - EXHIBITS

	Display items £
Cost:	
At 1 July 2023 and 30 June 2024	771

**FALKLAND ISLANDS MUSEUM
AND NATIONAL TRUST**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 June 2024

8. TANGIBLE FIXED ASSETS – ASSETS UNDER CONSTRUCTION

Lookout Gallery construction works continued during the year with additions of £71,132 (2023: £258,233). The value of the works at year end was £393,699 (2023: £322,567).

9. STOCK

	2024 £	2023 £
Goods for resale	72,489	54,160

10. DEBTORS

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	81	185
Prepayments and other debtors	59,542	21,402
	<u>59,623</u>	<u>21,587</u>

11. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	350,784	1,705
Deferred capital grants	34,650	34,650
Other creditors and accruals	20,781	18,318
	<u>406,215</u>	<u>54,673</u>

12. CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN YEAR

	2024 £	2022 £
Deferred capital grants	1,358,669	1,393,320
	<u>1,358,669</u>	<u>1,393,320</u>

The deferred capital grant will be amortised to the income and expenditure account over the remaining useful life of the fixed assets. The total amount amortised during the year amounts to £34,650. At the year end, the remaining capital grant amounts to £1,393,319, and the amount included within one year totals £34,650, which represents the element of the capital grant which is expected to be amortised to the income and expenditure account in the financial year ended 30 June 2025. The remaining amount of £1,358,669 has been included in amounts falling due after more than one year.

**FALKLAND ISLANDS MUSEUM
AND NATIONAL TRUST**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 June 2024

13. SPECIAL FUNDS

	2024 £	2023 £
Past Finders	30,059	15,074
Lookout Gallery	326,978	397,110
Cape Pembroke Fund	5,091	5,092
Admiralty Cottage	-	-
	<u>362,128</u>	<u>417,276</u>

14. TOTAL TRUST FUNDS

	Museum fund £	Special funds £	Total £
The movements on Trust funds during the year were as follows:			
At 1 July 2023	769,810	417,276	1,187,086
Surplus for the year	182,219	-	182,219
Donations for Lighthouse transferred to Special Funds	(350,871)	350,871	-
Costs of Lighthouse transferred to Museum Fund	350,872	(350,872)	-
Donations for Admiralty Cottage transferred to Special Funds	(189,016)	189,016	-
Costs for Admiralty Cottage transferred to Museum Fund	189,016	(189,016)	-
Donations for Past Finders Fund transferred to Special Funds	(17,250)	17,250	-
Costs of Past Finders transferred to Museum Fund	2,265	(2,265)	-
Donations for Lookout Gallery transferred to Special Funds	(1,000)	1,000	-
Costs of Lookout Gallery project transferred to Museum Fund	71,132	(71,132)	-
At 30 June 2024	<u>1,007,177</u>	<u>362,128</u>	<u>1,369,305</u>

**FALKLAND ISLANDS MUSEUM
AND NATIONAL TRUST**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 June 2024

15. RELATED PARTY TRANSACTIONS

Richard Cockwell, a Trustee, supplied goods to the value of £575 (2023: £nil) in respect of a painting for the Museum. Emma Brook, a Trustee, supplied goods to the value of £1,195 (2023: £1,038) in respect of items sold in the Museum shop.

**FALKLAND ISLANDS MUSEUM
AND NATIONAL TRUST**

**ADDITIONAL UNAUDITED INFORMATION
Year ended 30 June 2024**

The additional unaudited information below is prepared from the accounting records of the Trust. It should be read in conjunction with the statutory financial statements set out on pages 6 to 13 and the independent auditors' report thereon.

ADMINISTRATIVE EXPENSES

	2024 £	2023 £
Insurance	9,763	9,822
Light and heat	31,604	23,735
Wages and salaries	254,730	231,583
Administrative support	155	105
Materials and miscellaneous	19,689	14,512
Advertising and promotion	1,995	2,531
Displays and exhibitions	12,810	134
Fund raising events	1,020	17,625
National Trust expenses	25,285	2,277
Past Finders expenses	2,265	1,813
Travel and subsistence	(1,049)	14,704
Repairs, handyman, and housekeeping	13,215	20,756
Telephone and fax	3,369	3,262
Auditors' remuneration	4,830	6,915
Legal fees	140	-
Depreciation	40,582	44,322
Release of deferred capital grants	(34,650)	(34,650)
Accountancy	11,215	11,528
Development work Admiralty Cottage	200,010	61,005
Lighthouse project	350,872	20,026
	<u>947,850</u>	<u>452,005</u>

COST OF SALES

	2024 £	2023 £
Opening stock	54,160	71,067
Purchases	75,332	42,205
Less: closing stock	(72,489)	(54,160)
	<u>57,003</u>	<u>59,112</u>