ROYAL COLLECTION TRUST

The Royal Collection Trust

(Limited by guarantee)

Trustees' Report and Consolidated Financial Statements

31 March 2026

Company Number 2713536

Royal Collection Trust

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

Contents

Royal Collection Trust

TRUSTEES' REPORT 2025/26

The Trustees present their annual report and the audited consolidated financial statements of The Royal Collection Trust ("The Trust") and its trading subsidiary Royal Collection Enterprises Limited (together "Royal Collection Trust", "RCT", or "the Group"), for the year ended 31 March 2026.

Reference and Administrative Information

Charity Registration Number:	1016972
Scottish Charity Number:	SC039772
Company Number:	2713536
Principal and Registered Office:	York House, St James's Palace, London SW1A 1BQ

Patron

His Majesty King Charles III

Trustees

Sir Nicholas Bacon, Bt. *(Chairman)*
The Rt. Hon. Sir Clive Alderton
The Rt. Hon. The Lord Benyon
Mr Marc Bolland
Mr James Chalmers
Sir Brian Ivory
Vice Admiral Sir Tony Johnstone-Burt
Dr Anna Keay
Mr James Lambert *(appointed 1 April 2026)*
Dr Tonya Nelson
Ms Monisha Shah

Management Board

Mr Tim Knox	Director of the Royal Collection
Mr Neil Curtis	Director of Finance and Corporate Services *(resigned 21 November 2025)*
Mrs Michelle Lockhart	Director of Commercial Operations and Engagement
Ms Kate Towner	Interim Finance Director *(appointed 2 March 2026)*

TRUSTEES' REPORT 2025/26

Auditor	KPMG LLP 15 Canada Square, London E14 5GL
Bankers	Coutts & Co 440 Strand, London WC2R 0QS
Solicitor	Farrer & Co 66 Lincoln's Inn Fields, London WC2A 3LH

Royal Collection Trust

TRUSTEES' REPORT 2025/26

Structure, Governance and Management

Governing Document

The Royal Collection Trust ("The Trust") is a company limited by guarantee, incorporated on 29 January 1993 and registered as a charity in England and Wales on 2 February 1993. The Office of the Scottish Charity Regulator approved The Trust's application to be registered as a charity in Scotland on 5 August 2008.

The Company was established under a Memorandum of Association which established the objects and powers of The Trust and is governed under its Articles of Association. There are currently four members of The Trust, each of whom is required to contribute an amount not exceeding £1 in the event of it winding up.

The Trust has one wholly owned subsidiary, Royal Collection Enterprises Limited. They are collectively known as "the Group" or "Royal Collection Trust".

Appointment of Trustees

Trustees include the holders of Relevant Offices within the Royal Household. The Relevant Officers are The Lord Chamberlain, The Private Secretary to The Sovereign, The Keeper of the Privy Purse and The Master of the Household.

The appointment of a Trustee is approved by The Sovereign prior to appointment by the Board of Trustees. In appointing Trustees other than holders of the Relevant Offices, consideration is given to ensuring that the Board of Trustees has the requisite mix of skills and experience.

All Trustees give their time voluntarily and receive no remuneration for their services to The Trust. Details of any expenses paid by or reimbursed by The Trust are set out in note 8 to the financial statements. New Trustees receive an information pack which includes the current strategic plan, minutes of recent Trustee Board meetings and details of organisational structure. In addition, new Trustees undertake an induction programme comprising meetings with senior managers and visits to the official residences and workshops.

Organisational Structure

The Board of Trustees, which can have a minimum of five and up to a maximum of twelve Trustees, manages the Charity and meets at least four times a year. The governance structure was reviewed and changed during 2025/26.

For the year up to 31 December 2025, the Board of Trustees had two sub-committees.

The Audit and Risk Assurance Committee comprised four members: Sir Brian Ivory (Chairman), Mr James Chalmers, and Ms Monisha Shah, who are Trustees, and Mr Steve Maslin, who is an independent external member. The Committee met and reported formally to the Board three times last year. It had overall responsibility for monitoring the effectiveness of The Trust's corporate governance and system of internal control. In undertaking its responsibilities, the Committee received reports from the internal and external auditors and from management.

The Strategic Development Committee comprised five Trustees and members of the Management Board. This Committee met three times under the Chairmanship of Mr Marc Bolland. Its role was to monitor and oversee the Group's financial position and commercial operations. This included monitoring Royal Collection Trust's bank borrowing and cashflow.

Following a review of these arrangements, from 1 January 2026, the Board of Trustees has only one formal sub-committee, the Finance & Audit Committee.

The Finance & Audit Committee comprises four members: Sir Brian Ivory (Chairman), Mr James Chalmers and Mr Marc Bolland, who are Trustees, and Mr Steve Maslin. who is an independent external member. The Committee meets and reports formally to the Board at least four times a year. It has overall responsibility for monitoring the effectiveness of The Trust's corporate governance and system of internal control and to monitor and oversee the Group's financial position and commercial operations. This includes monitoring Royal Collection Trust's bank borrowing and cashflow. In undertaking its responsibilities, the Committee receives reports from the internal and external auditors and from management.

The Board of Trustees has delegated the powers set out in The Trust's governing document to the Director and members of the Management Board who manage the day-to-day operations of the Charity and the Group. The members of the Management Board are the Director of the Royal Collection, the Director of Finance and Corporate Services and the Director of Commercial Operations and Engagement.

The Board of Trustees monitors the way in which its delegated powers are exercised by the Management Board through:

- Receipt of regular reports on Royal Collection Trust's activities;
- Review and approval of budgets and strategic plans;
- Reports from the Chairman of the Finance and Audit Committee; and
- Review of management accounts and the Annual Report and Financial Statements.

The Director of the Royal Collection is a Head of Department of the Royal Household and is appointed by The Sovereign.

The Management Board is responsible for preparation of strategic plans and annual budgets, and for overseeing the efficient and effective operation of Royal Collection Trust. Together with the Operations Board of senior managers, the Management Board is responsible for the day-to-day monitoring of performance, maintaining adequate systems for internal financial control and risk management, ensuring value for money and operational efficiency and providing organisation-wide leadership and effective internal communications.

Subsidiary Undertaking

The Trust's wholly-owned subsidiary, Royal Collection Enterprises Limited, has a paid up share capital of £2, and is incorporated in the UK. The principal activities of the company are the management of public access to the official residences of The King and to The King's Galleries, and the sale of retail merchandise. Taxable profits are donated in accordance with a deed of covenant to the parent company, The Royal Collection Trust.

Related Parties

The activities of Royal Collection Trust require the co-operation and support of the other departments of the Royal Household. These departments are represented on the Board of Trustees through the holders of the Relevant Offices.

Details of material transactions during the year with other entities controlled by officials or Trustees on behalf of The Sovereign, or otherwise deemed 'related', are set out in note 22 to the financial statements.

Objectives and Activities

The works of art that comprise the Royal Collection are held by The King as Sovereign for his successors and the nation. The Collection is exhibited primarily within areas of the official residences of The King, and in the unoccupied residences maintained by Historic Royal Palaces, which are open to the public. Where works of art are not on public view, these items may be made available to the public through exhibitions at The King's Galleries in London and Edinburgh, through loans to other museums and galleries both within the UK and overseas (including travelling exhibitions), and via publications and online access.

Charitable Objects and Public Benefit

The objects of The Trust are, for the benefit of the nation:

- to administer, conserve, renovate, repair, maintain, improve and advise on the Royal Collection, the Royal Archives and the Royal Photograph Collection which pass in right of the Crown; and
- to educate and inform the Public about such Collections and Archives by exhibition, preparation of catalogues and inventories, research, publication, educational activities, digital engagement and by such other means as appropriate.

The Trustees, having regard to the Charity Commission's public benefit guidance, seek to fulfil these objects by pursuing a series of charitable aims:

- Conserving our history: we look after the living Collection with utmost care, on behalf of the Sovereign and for the benefit of the nation.
- Deepening understanding: we bring the Collection to life in innovative ways that invite understanding and exploration of our shared history.
- Broadening our reach: we find welcoming and inclusive ways for everyone to enjoy the Collection, wherever they are.
- Delighting our audiences: we create world-class experiences that involve and inspire people.

The Trustees consider that public benefit is delivered as a result of pursuit of the following activities:

Providing access to the Royal Collection, and presenting and interpreting the Collection to the public

- direct access by visits to the official residences of The King in London, Windsor and Edinburgh, and to The King's Galleries in London and Edinburgh, with extensive audio tours included in the cost of admission;
- loaning items from the Collection to other organisations who will then exhibit them to the public, widening geographical access for those who may not be able to visit the main Royal Collection sites;
- the continued digitisation of information about and images of items in the Collection, available to access via the Royal Collection Trust website, and the Collection Online function;
- regular digital access through resources shared on social media networks, email and YouTube;
- sharing our digital assets to be used on partner sites and in collaboration on research projects;
- increasing access via learning programming both on site and through online events;
- sessions for schools and community groups tailored to the Palaces and exhibitions, and a range of family events and online activities;
- lectures, panel discussions and creative courses for adults at all sites; and
- publishing guidebooks, catalogues and other publications physically and online.

Royal Collection Trust aims to make the Collection accessible to those with specific requirements, for example:

- those who perceive barriers to entry are supported through the Community programme across all sites, which facilitate visits for community groups who are underrepresented in our audience mix.
- support for those who are blind or partially sighted is provided through verbal description audio tours as well as descriptive talks at our sites and online; those who are D/deaf can

use hand-held British Sign Language (BSL) video tours, attend captioned talks on site, and attend BSL talks;

- in terms of physical mobility, most Royal Collection sites are accessible, except for limited areas at the Palace of Holyroodhouse where mobility is restricted due to the nature of the building. Accessible toilets are available at all sites, with Changing Places toilets at Windsor Castle and the Royal Mews;
- access companions are granted free admission; and
- a downloadable guide on what to expect on your visit is available for people with autism or additional sensory needs. Visitors can request more information or discuss their visit in advance with our Access and Inclusion manager.

Pricing and access

Charges are made to visit the official residences of The King and exhibitions in The King's Galleries. Various measures are in place to ensure that the charges do not unduly restrict access to the Royal Collection as follows:

- flexible pricing of products to ensure wider access to the Collection via ticket discounts for schools and young people, an enhanced Young Person's discount, complimentary passes and use of the 1 Year Pass scheme;
- A £1 ticket for those in receipt of Universal Credit and other named benefits, now available at all Royal Collection Trust sites and Galleries.
- taught sessions and workshops are offered to schools as part of their reduced admission fee, and teachers can take advantage of free 'pre-visit' tickets, to help them prepare for their school's visit. Regular free teachers' evenings are programmed. Where fees are a barrier to visiting, schools can apply for free entrance and for travel subsidies;
- sessions for community groups and societies working with under-represented, disadvantaged or disabled audiences are provided free of charge. Registered charities working with under-represented, disadvantaged or disabled people can apply for free entrance to the Palaces and Galleries and individuals and organisations supporting Children in Care can apply for free entry to all sites;
- The Trust schedules live events about the Royal Collection for free, or at a low price point, and extensive free learning resources are available on the www.rct.uk website;
- Windsor Castle participates in a scheme that gives discounted access to local residents;
- serving members of the armed forces and their families are granted free admission via the Defence Discount Service.

Measuring public benefit

Royal Collection Trust aims to deepen understanding by sharing the Collection with everyone, wherever they are. Audience development is central to this aim, helping us to understand our existing audiences and also to identify under-represented groups that we want to reach and welcome. Audience testing, online user testing and community consultation allow us to shape and develop products and programming designed to appeal to and reflect these audiences' needs and interests. Via our award-winning learning programmes RCT plays an increasing role in widening participation engagement and the promotion of health, wellbeing and community engagement.

Access and public benefit are measured using feedback mechanisms including surveys, focus groups and consultations, direct visitor feedback, engagements on social media and analytical evaluation of website and Collection Online content. They are measured through formal evaluations of learning, community and exhibition programming which allow a process of continuous improvement to deliver enriching experiences which involve and inspire people.

Royal Collection Trust

TRUSTEES' REPORT 2025/26

Review of the Year

The financial statements set out on pages 32 to 64 cover the activities of The Royal Collection Trust ("The Trust") and its trading subsidiary Royal Collection Enterprises Limited (together "Royal Collection Trust" or "the Group"). The Consolidated Statement of Financial Activities shows the gross income from all sources and the split of activity between restricted and unrestricted funds.

Financial Outturn

The Charity had net income of £3.5m in 2025/26, compared to £13.9m in 2024/25. The change is attributable to: £3m insurance income received in 2024/25 and repayable in 2025/26 (net impact £6m); £2.8m reduction in access income due to the visitor number changes noted below; £1.9m increase in the cost of providing access; £0.6m increase in the cost of custodial control; a number of smaller changes. These amounts are detailed further in the financial statements starting on page 32.

Public Access to the Collection

In 2025/26, Royal Collection Trust welcomed 2.7 million visitors to the official residences of The King and The King's Galleries.

In London, a reduction in visitor numbers compared with 2024/25 was anticipated due to the temporary impact of Buckingham Palace reservicing works on visitor route capacity. This was also expected to affect The King's Gallery and the Royal Mews as many visitors enjoy the 'Royal Day Out' experience across multiple sites. Careful management of the visitor flow and an extended programme of group tours ensured the maximum opportunity to view the Royal Collection within the Palace and mitigated the overall impact on visitor numbers. Visitors to the Buckingham Palace Summer Opening were able to see the new State Portraits of Their Majesties and view a special display of 74 works created by artists during their travels with The King.

Buckingham Palace also hosted a dedicated Schools Week, including an opportunity for home educated children and their parents to visit the Palace. A further initiative was a Relaxed Access Morning which gave opportunity for neurodivergent and learning-disabled children and their families to experience the State Rooms in a quieter, calmer atmosphere.

The King's Gallery in London hosted *'The Edwardians: Age of Elegance'*, an exhibition of more than 300 objects from the Royal Collection from the era of King Edward VII and King George V, including works by Carl Faberge, Frederic Leighton, Edward Burne-Jones, Rosa Bonheur, John Singer Sargent and William Morris.

The Palace of Holyroodhouse achieved increased visitor numbers compared to 2024/25, supported by additional opening days and an extended tour programme. Highlights included a Christmas display, a newly-refurbished Family Room and a celebration of Robert Burns and his links to the Royal Collection. The learning and access programme included events such as BSL-interpreted tours, descriptive tours for blind and partially sighted audiences, a dementia friendly afternoon with music and crafts, and a programme for young children.

For the first time since the Covid-19 pandemic, The King's Gallery in Edinburgh showed two exhibitions during the year. *Royal Portraits: A Century of Photography* displayed nearly 100 photographs, while *Drawing the Italian Renaissance* was the widest-ranging exhibition of Italian Renaissance Drawings in Scotland for over half a century, incorporating more than 80 drawings by 57 different artists.

Visitors to Windsor Castle were notably reduced in the year, which was in line with the experience of other comparable sites in the sector. Nevertheless, total visitor numbers approached 1.3 million. Visitors enjoyed activities including history weekends, Christmas displays the opportunity to see a newly conserved painting by Giulio Romano, and a display of books from the Royal Library marking the 250th anniversary of the birth of Jane Austen. The access and community programme at Windsor Castle welcomed over 1,000 attendees, including visitors from blind and partially sighted communities, and visitors living with dementia.

Total visitor numbers:

	2025/26	**2024/25**
	000	**000**
Windsor Castle	1,267	1,367
Buckingham Palace	590	683
The King's Gallery, Buckingham Palace	145	174
The Royal Mews	163	165
St James's Palace	3	1
Palace of Holyroodhouse	469	440
The King's Gallery, Palace of Holyroodhouse	56	45
	2,693	**2,875**

Note: 48,000 learning and community group visitors are included in these numbers, and a further 3,500 people participated in digital learning activities (2024/25: 49,000; 1,000).

Retail and trading activities

Retail income was broadly consistent year on year, despite the reduction in visitor numbers. This was due to new merchandise ranges inspired by the Royal Collection and official residences, additional retail space in Edinburgh and London, and growth in the wholesale business. The retail team have continued to focus on sustainable sourcing and consumption, and the management of overall inventory levels through more effective forecasting and ordering.

Photographic Services

Income for the Picture Library, which amounted to £249,000 for the year (2024/25: £149,000), derives predominantly from the supply of photographic material for inclusion in television programmes, printed publications and product licensing. More than 50,100 resources were added to the Digital Asset Management System, including more than 9,680 photographs of Royal Collection and Royal Archives objects.

Publishing

2025/26 saw several academic and commercial titles produced by the publishing department.

Two books were produced to accompany Royal Collection exhibitions. *Edwardians: Age of Elegance*, trialled a new model of catalogue, providing a short, souvenir-style publication highlighting 60 key objects featured in the exhibition. The second book, *Art of the Royal Tour*, was produced in association with the Modern Art Press as a companion to the Buckingham Palace Summer Opening exhibition and celebrated the work of 42 artists who accompanied His Majesty, in his roles as both Prince of Wales and The King, on numerous official royal tours across the world between 1985 and 2025.

The most important academic work published in 2025/26 was *European Sculpture in the Collection of His Majesty the King*, a four-volume catalogue raisonné produced in collaboration with Modern Art Press and representing the culmination of thirty years' study by its author, Jonathan Marsden, former Director of the Royal Collection.

The end of the year saw the publication of *Queen Elizabeth II: Fashion and Style*. The book is Royal Collection Trust's official centenary publication, commemorating the birth of Her Majesty Queen Elizabeth II, and accompanied an exhibition that opened at The King's Gallery London in April 2026.

Conservation and Curatorial activity

The exhibitions and publishing activities noted above involve significant curatorial input. Further conservation and curatorial efforts directly supported public access to the Collection during the year.

The restoration and furnishing of the Chinese Dining Room, the Small Chinese Sitting Room and the Indian Room was completed and these rooms were included in the East Wing tours of Buckingham Palace. Additional works of art were hung in the Indian Room and the Chinese Dining Room.

Planning continued for the rehang of the Picture Gallery in 2026 which will significantly increase access to the most important paintings in the Collection.

The China Corridor at Windsor Castle was re-presented, increasing access to the most important works in the ceramics collection. New case fittings, linings and lighting were installed with an architect-designed display of pieces from nine of the most significant porcelain dining services held in the Royal Collection. A ramp was installed, enabling this space to be fully accessible to visitors for the first time. In addition, pieces from an important Sèvres service commissioned by the Spanish Ambassador to Britain and produced to celebrate George III's recovery from his first period of illness in 1789 have been permanently displayed for the first time.

Also at Windsor Castle, a newly conserved painting by Giulio Romano and Workshop depicting *The Nurture of Jupiter* went on display in the King's Bedchamber. This marks the painting's first public display since 1965.

In Edinburgh, eight Italian, Dutch and Flemish paintings from Buckingham Palace were displayed within the Palace of Holyroodhouse.

Academic and exhibition publications produced during the year were also written by or heavily supported by the conservation and curatorial teams.

<u>Loans</u>

The Royal Collection Trust also approves short term loans of Collection items, widening access beyond RCT locations.

During the year, short-term loans were sent to 40 different exhibitions, involving 109 objects. Particular consideration continues to be given to UK and Commonwealth Realm loans with 100% of requests approved or partly approved compared to 70% of international venues. These included 25 drawings by Annibale Carracci and his workshop lent to the Musée du Louvre in Paris for the exhibition, *Dessins des Carrache. La fabrique de la galerie Farnèse*, nine works, including a 1810 letter and ʻahu ʻula (feathered cloak) sent to George III from King Kamehameha I, to the British Museum's *Hawai'i: Transforming Kingdoms*, and three works by Benedict Enwonwu to the Tate Modern exhibition, *Nigerian Modernism*, the first major show to explore the emergence of artistic modernism from Nigeria in relation to the struggle for independence from British colonial rule.

Art Storage and Custodial Control

Storage of the Royal Collection continues to be a challenge due to the size of the Collection and the requirement for carefully controlled environmental conditions. The Trust has continued to pursue its strategy to secure sufficient and appropriate storage for the long term. During the year, infrastructure improvements were made to the on-site storage which continues to be used in conjunction with external commercial storage, and planning permission was granted for the construction of a new art store. Work on the store is planned to begin in 2026/27.

The Trust carries out routine inventory checks and 100,000 Collection items were checked in 2025/26. A cycle of checks has been planned for the next five years and an improved process has been set for checking large residences that hold Collection items.

Efforts continue to fully catalogue items received into the Collection in recent years, with thousands of new records created. This includes past reign Archives and Libraries, Queen Elizabeth II's dress collection and items from the late Duke of Edinburgh's collections.

The Royal Library and Archives

The Royal Bindery conserved 303 Archives, Library and Photographs items, condition checked 43 items, and rehoused 475 Archives volumes and over 2,000 Archives boxes in preparation for the objects being decanted to the New Art Store. The Paper Conservation team conserved 262 works and assessed 392 works. The Paintings Conservation team assessed 849 paintings and conserved 111. In addition, 209 frames were assessed, 151 frames treated and 4 new frames made.

Royal Archives Online expanded with newly published material, including the diaries of King George V and Queen Mary amongst 20th-century papers. A digitisation and cataloguing project with Gale, a global provider of research and digital learning resources, was completed on time and budget, with the online resource launched in February 2026. This makes the State Papers of Queen Victoria and King Edward VII, which cover UK and global political, economic, social and cultural history for the period 1837-1911 available online for the first time – in total this represents approximately 340,000 pages.

The new Collection Online will launch in the autumn of 2026 with improved search functionality, an improved design and a better user experience. Funding support has come from the Bloomberg Philanthropies Digital Accelerator Program. The site will be compliant with international web content accessibility standards. A new content strategy will be rolled out emphasising key areas of the Collection, alongside stories which reflect the diversity of our audiences.

In total curators and archivists have answered nearly 2,500 public enquiries and enabled over 630 research visits for individuals and groups. Numerous lectures, short talks and tours were given by curators and conservators, including many in association with the exhibition programme.

Financial position and outlook

Loan facilities

As part of measures to withstand and recover from the financial impact of the pandemic, in 2021 The Trust obtained loan facilities with Coutts & Co totalling £52 million. This was a combination of a term loan and a revolving credit facility. Following several successful trading years with a focus on financial recovery and cash generation the facilities have been reduced.

At the start of the year, the Charity held a £15 million revolving credit facility. Trading performance during the year meant that there was no requirement to utilise the facility during 2025/26. Following review of financial projections, in March 2026 the Charity elected to reduce the facility to £10 million. This remaining facility is in place until March 2028, although the Charity may cancel the facility early. The loan facility is subject to a covenant and all covenant requirements have been met throughout the year and are expected to be met in the future. Details of the loan facility are given in note 18.

Looking ahead

Following the severe impact of the pandemic on Royal Collection Trust's financial performance and position, there was a period of exceptional financial results for Royal Collection Trust that was particularly supported by historic royal events driving public interest. The effect of these events has softened slightly, and during 2025/26 general economic and specific sector conditions have had further downward influence on visitor numbers and income. Careful control of costs and innovative programming has mitigated the overall financial impact. Looking ahead, challenges in the domestic economy and global forces affecting international travel will put pressure on visitor numbers and retail income.

There is still public appetite to visit Royal Collection Trust sites and exhibitions. This has been particularly evident at the beginning of 2026/27, with the opening of the London exhibition *Queen Elizabeth II: Her Life In Style.* This exhibition has enjoyed unprecedented success and has been extended until April 2027. The appeal of this exhibition has also supported the performance of other visitor and retail offerings.

The Royal Collection Trust is investing in an ambitious project to build a new art store at improving storage conditions for the most fragile collections, accommodating the decanted Royal Archives and greatly reducing reliance on commercial storage. The full capital cost of this has been taken into account in the projections, along with a realistic expectation of ongoing capital investment.

Overall, the budget set for 2026/27 anticipates an operating surplus and the longer-term financial projection shows that the organisation will continue to be able to meet required expenditure whilst maintaining appropriate levels of cash and free reserves.

Reserves and going concern

The Trustees reaffirmed the minimum free reserves level of £10 million. This target was agreed in 2024/25, when the process considered the experience of the pandemic-related closure, the process and timeline for raising external finance, and the current operating model of the organisation. The exercise concluded that it would be reasonable to target a minimum free reserves level of £10m, equivalent to two to three months of unavoidable cash expenditure.

In arriving at this level, Trustees also considered the revolving credit facility, where cash can be drawn at short notice, and which is in place until 2028. The Trustees consider that the reduced facility of £10 million is sufficient given the current position and future projections. The liquidity that the credit facility provides was a key consideration in determining the appropriate level of the free reserves policy. The policy will be monitored, with the decision regarding any ongoing credit facility in 2028 being a trigger for a formal policy review.

The Trustees have considered the 2026/27 budgets and long-term projections for most likely and reasonably plausible downside scenarios, including updates taking account of early 2026/27 performance. This included planned spend on capital projects.

In the scenarios prepared, the Company and Group can meet all debts as they fall due using operating cashflows and reserves. In the case of a more severe downside, the loan facility will provide additional liquidity.

On the basis of the projections prepared, The Trustees have concluded that the Group and Charity will be able to meet their liabilities as they fall due and therefore continue as a going concern for a period of at least 12 months from the approval of these financial statements.

Funds and Reserves

The reserves held at 31 March 2026 were as follows:

	2025/26 £000	2024/25 £000
Restricted funds	**784**	483
Unrestricted funds		
General funds		
Fixed Asset Reserve	**42,954**	43,283
Free Reserve	**14,419**	8,084
Collection Investment Fund	**35**	3,020
Pension Reserve	**4,100**	3,800
Total Unrestricted Funds	**61,508**	**58,187**
Total Charity Funds	**62,292**	**58,670**

Details of the movements in fund balances are set out in note 19 on page 54.

Restricted funds

These are funds subject to specific restrictions imposed by donors that are still within the wider objects of the Charity.

Unrestricted funds

These are funds that are expendable at the discretion of the Trustees in furtherance of the Charity's objects.

The funded status of the **pension reserve** has increased by £0.3 million, resulting in a total asset of £4.1 million. This arises as a consequence of an updated actuarial report based on market changes and assumptions applicable as at 31 March 2026. The Trustees do not treat the pension reserve as available funds to be utilised as it is subject to market fluctuations and not realised in liquid funds. Consequently, the pension reserve is excluded from free reserves.

The **fixed asset reserve** represents the net book value of the group's tangible and intangible assets. It is excluded from free reserves, as the Charity could not dispose of all or the majority of these assets and continue its operations as a going concern.

The designated fund '**Collection Investment Fund'** was created in 2025/26. The fund consisted of a £3.0 million insurance receipt. The settlement was in respect of snuff boxes stolen while on loan to a third party. The funds were designated for use to enhance the Royal Collection and none were utilised during the year. In 2025/26 one of the two snuff boxes, valued at £3.0 million, was recovered. Due to damage to this item, the amount to be repaid to the insurer is yet to be determined. A provision of £3.0 million has been recognised in unrestricted designated funds at 31 March 2026. Any variation to this amount in the final settlement will also be applied to the designated fund. This fund is not included in the calculation of free reserves.

Section 172 statement

In accordance with section 172 of the Companies Act 2006, the Board considers in its decision-making how to promote the success of Royal Collection Trust as a whole, with due consideration to the impact of decisions on other stakeholders. The Board considers the impact of its decisions on beneficiaries of the work of Royal Collection Trust, employees, suppliers, local communities and the environment.

The strategic focus on visitor experience and broadening access to the Collection ensures attention is given to the beneficiaries of Royal Collection Trust's activities. Pages 6 and 7 give examples. Feedback is invited from visitors to inform The Trust's understanding of their needs. Details of employee policies and practices, ensuring that the needs of employees are taken into account, are set out in the section below on Employment Policies (page 20).

The Board seeks to act responsibly with regards to the environment, and further information is provided in the Environmental Sustainability section of this report (page 21). Royal Collection Trust seeks to deal fairly with suppliers when agreeing contractual terms and settling accounts promptly, paying invoices within 30 days on average. Royal Collection Trust seeks to act responsibly towards its local communities, making special provision for local access, providing workshops for local community groups and using local suppliers where appropriate (page 6 and 7).

The Board is satisfied that the examples above and the information contained elsewhere in this report demonstrates its commitment to good governance under section 172.

Fundraising

The great majority of Royal Collection Trust's income is raised from admissions income from visitors to our sites and from retail sales. However, Royal Collection Trust does raise a small amount of additional funds from the corporate sector, Trusts and Foundations and Philanthropic individuals. Royal Collection Trust does not conduct mail-outs or practice 'cold calling' and only solicits gifts from supporters with whom it has an existing relationship.

Royal Collection Trust adheres to the Code of Fundraising Practice operated by the Fundraising Regulator, which includes guidance on fundraising with vulnerable people, as well as HMRC best practice for donor benefits.

Royal Collection Trust has clear, established and robust systems including: due-diligence reporting for solicitations in excess of £5,000, a gift-acceptance policy and a GDPR-compliant statement in place for approaching both existing and new prospects and the way in which we store personal data. There have been no failures by Royal Collection Trust to comply with these fundraising standards and the Group has received no complaints about its fundraising activities.

Risk Management

Risk management is designed to optimise performance and manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives.

Responsibilities

The Finance and Audit Committee is responsible for assessing the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks and is supported in this role by the Internal Audit function. The Chairman of the Committee reports to the Board of Trustees at each meeting of the Trustees on the Committee's activities and responsibilities.

The Management Board and Operations Board of Royal Collection Trust, in conjunction with senior management in the Royal Household, is responsible for the oversight of the risk management process.

Specialist risk managers in the Royal Household include the Director of Digital Services, the Director of Property and the Director of Security Liaison. These specialists provide advice on the management of the risks falling within their areas of responsibility. Within Royal Collection Trust, Departmental Heads and senior managers are responsible for identifying, assessing and managing risk in their areas of responsibility and all staff are encouraged to identify operational risks in the performance of their duties.

Operations Board maintains the Risk Register and carries our quarterly reviews of the register with a particular focus on increasing and emerging risks.

Internal Audit

The Internal Audit function is independent of management, and during 2025/26 was outsourced to an external provider. A representative of the internal audit firm attends meetings of the Finance and Audit Committee.

The Finance and Audit Committee agrees a plan of work with the Internal Audit provider that is aligned to the risk register and the Group's objectives. Evaluation of the Company's exposure to risk includes consideration of governance, operational and information systems, the integrity of financial and operational information, the effectiveness and efficiency of operations, the safeguarding of assets and compliance with laws, regulations and contracts.

The findings of all internal audit reviews are reported to the Committee. The Committee monitors management's progress with the implementation of agreed internal audit recommendations.

Key risks

Risks are currently categorised within nine sections:

- Collection custodianship
- Income and funding
- Public access and understanding
- Health, safety and wellbeing
- Cyber security
- Safeguarding
- Major incidents
- Compliance (including sustainability)
- Staffing resource

These risks consider Royal Collection Trusts charitable objects of care of the Collection and public access to the Royal Collection, and the associated income and costs. Mitigation of risks to the Collection include careful environmental monitoring, physical security, regular inventory checks and a long-term storage strategy. Public access risk is managed by increasing opportunities for access with additional open days, new exhibitions, and increased digital opportunities including Collection Online and Learning products.

Risk around income and cost is managed by diversification of products, value for money procurements, ongoing cost control and regular financial reports.

With nearly three million visitors per year, there is a need to ensure appropriate and robust safeguarding measures for visitors and staff. This is addressed with support from the Royal Household Health and Safety team, with Operations Board and Management Board receiving regular reports.

Royal Collection Trust manages risks relating to cyber security and potential failure of IT systems. Led by the Royal Household's Digital Services function, specific controls to address information risk are applied. Regular penetration testing of networks and systems is undertaken and staff training on cyber security and data protection is provided annually. Royal Collection's dedicated Systems Infrastructure team maintain commercial systems and business continuity in close partnership with Digital Services.

The large number of summer staff required to run visitor and retail operations presents a challenge, and there is a risk around retaining permanent skilled staff, particularly in specialist areas. This risk is managed by ensuring fair pay and good working conditions, such as strong internal communications, opportunities for training and development, and formal feedback opportunities for staff.

The risk register is amended and reviewed regularly to reflect the changing risk profile outlined above.

Employment policies and employee engagement

As a department of the Royal Household, Royal Collection Trust follows the Royal Household's employment policies and practices. These underpin organisational purpose and aim to create an engaged, diverse and adaptable workforce. The Royal Household benchmarks and seeks validation for its employment policies and practices.

The Disclosure and Concern at Work policy clarifies the protection offered to 'whistle-blowers' under the Public Interest Disclosures Act, and an Employee Assistance Programme provides an additional, third-party route for staff to seek advice on these matters. Policies and procedures, including those relating to procurement, are kept under review to identify, prevent and mitigate any risks of modern slavery or human trafficking.

Royal Collection Trust is fully committed to proactively supporting the safeguarding of its employees, workers, visitors and contractors, and has a clear Safeguarding Policy and set of procedures that are available both to staff and members of the public. This year employee safeguarding training has been reviewed to ensure staff knowledge is comprehensive and up to date.

Royal Collection Trust supports the professional development of our teams. It is committed to ensuring that all employees receive regular and good quality feedback and that they are supported to develop skills and experiences relevant to the requirements of their role and career ambitions.

Royal Collection Trust is committed to building a more inclusive culture and this will continue to be a priority. Recognising the important role leaders play, the senior team has undertaken an inclusive leadership development programme designed to encourage them in being visible advocates for inclusion. In addition, resources will be expanded and learning opportunities made available to our employees and provide additional support for people managers to ensure all are aware of the role they play in building an inclusive culture. Listening via surveys and other forums, to ensure a culture that enables every employee to thrive is also in place.

Employees have been regularly informed of the organisation's financial situation and strategic plans through Directors' Briefings, both online and in person. Opportunities for employee voice is maximised via pulse surveys, listening sessions, 'Investors in People' accreditation activity and through the work of the Internal Communications Working Group. New opportunities for leaders to listen, engage and share continue to be welcomed.

As part of The Royal Household, Royal Collection Trust is supportive of employees who undertake volunteering and charitable activities, recognising the benefit to the individual involved and of forging links with the wider community. Employees can take up to five days paid volunteering leave a year for this purpose.

Environmental Sustainability

The Royal Household recognises its role in reducing greenhouse gas emissions, restoring nature, supporting and collaborating with those doing the same and inspiring others to join the journey. As one of the Household's five departments, Royal Collection Trust fully supports the Household objective of operating in a sustainable way and minimising its impact on the environment.

The Sustainability Team now includes a Biodiversity Manager to provide ecological expertise for the Royal Household. Additional staff time has been allocated to improve the quality and analysis of travel data.

Internal communication and staff engagement has been further developed and strengthened. Online learning modules, regular updates to the online resources, and campaigns on resource efficiency have provided context for the Household's response and helped individuals to identify opportunities to take action at work and at home.

In 2025/26 feasibility analyses for the largescale decarbonisation initiatives were undertaken with the intention for this to enable on site work to begin 2026/27 subject to funding. An indirect (scope 3) emissions reduction pathway will be developed with a focus on working with suppliers.

As the programme continues to mature the scope has widened from a carbon focus to reflect the interconnectivity of action for people, the climate and nature. Work is now underway to measure progress against agreed targets and understand what is outstanding.

These targets are underpinned by the agreed Departmental Action Plans that set clear goals and owners. The Royal Collection Trust Sustainability Action Plan was approved in July 2024 and will be reviewed and updated in 2026/27. Achievements in the current financial year include:

- **Decarbonisation of Palace of Holyroodhouse Café**

  Replacement of gas boiler with a new electric boiler installed in the Café plantroom. This serves the underfloor heating to the café and the hot water for taps throughout the café, café kitchens and toilets.

- **Installation of Solar panels at Middle Ward Shop, Windsor Castle.**

  Solar panels were installed to supplement National Grid power at the Middle Ward shop particularly during periods of peak demand.

- **The King's Gallery London plant room upgrades**

  Improvements were made to The Gallery including Air Handling Unit (AHU) system upgrades, replacement of fan belts from EC motors and replacing end of life fan coil units.

- **Retail**

  An exercise was undertaken to review all suppliers to reduce the number of partners and to establish new procedures including more ambitious sustainability standards for new and existing suppliers.

Streamlined Energy and Carbon Reporting 2025/26

Royal Collection Trust is required to report on energy use and carbon emissions under the Streamlined Energy and Carbon Reporting regulations. The tables below provide the disclosure required in respect of The Royal Collection Trust and Royal Collection Enterprises Limited.

This SECR report covers:
Scope 1 – Natural Gas and Owned/leased vehicles.
Scope 2 – Electricity National Grid
Scope 3 – Travel in privately owned vehicles for business purposes

Greenhouse Gas Emissions

	2026 (tCO2e)		2025 (tCO2e)	
	Location based**	**Market based***	**Location based****	**Market based***
Emissions Scope 1	592	592	570	570
Emissions Scope 2	527	38	578	41
Total Scope 1 & 2	**1,119**	**630**	1,148	611
Emissions Scope 3	**15**	**15**	13	13
Total GHG emissions (1-3)	**1,134**	**645**	1,161	624

GHG emissions for reporting purposes are deemed to be Market-based.

* GHG emissions for grid electricity calculated according to the Market-based method supported by contractual arrangements with suppliers for the purchase of renewable electricity.

** GHG emissions for grid electricity calculated using UK grid-average (Location-based) emissions factor.

All emissions have been calculated using the relevant carbon conversion factors from DEFRA. Scope 1 emissions increased in 2026 due to an increase in consumption. Scope 2 emissions increased due to an increase in consumption, for example due to increased activity at Windsor Castle.

Energy Use

Energy Consumption	2026 KWh (m)	2025 KWh (m)
Scope 1	**3.21**	3.10
Scope 2	**2.98**	2.79
Scope 3	**0.05**	0.05
Total kWh	**6.24**	5.94

Data has been sourced from accounting software using utility invoices, business mileage claims and fuel card invoices.

Royal Collection Trust has adopted Net Internal Area (NIA) as an intensity measure. The NIA of buildings during the 2024/25 financial year was 27,576 m^2. Royal Collection Trust emitted 0.041 tonnes of CO2e per m2 of NIA when using grid average conversions. Royal Collection Trust emitted 0.023 tonnes of CO2e per m2 of NIA when allowing for Renewable Energy Guarantees of Origin (REGOs).

Energy consumption used to calculate emissions	Natural gas consumption: 3,157,899 kWh Company owned diesel vehicles: 49,740 kWh Company owned petrol vehicles: 4,290 kWh Electricity consumption: 2,975,308 kWh (of which all except 214,639 kWh is REGO backed renewably sourced electricity) Non-company owned vehicles: 51,824 kWh **Total: 6,239,061 kWh**
Emissions from combustion of gas tCO_2e (scope 1)	578 tCO_2e
Emissions from business travel in company owned vehicles	13.9 tCO_2e
Emissions from purchased electricity (scope 2, location based)	526.6 tCO_2e (using grid average) 38 tonnes (allowing for REGO backed renewable generation)
Emissions from business travel in rental cars or employee owned vehicles where company is responsible for purchasing the fuel (scope 3)	15.37 tCO_2e
Total gross CO_2e based on the above	1,118.3 tCO_2e (using grid average) 645 tCO_2e (allowing for REGO back renewable generation)

Statement of Trustees responsibilities in respect of the Trustees' Annual Report and the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the group and parent charitable company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 parent charitable company and of the group's income and expenditure for that period. In preparing each of the group and parent charitable company 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;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess 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
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the parent charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the parent charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Trustees’ Report confirm that, so far as they are each aware, there is no relevant audit information of which the company’s auditor is unaware; and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the company’s auditor is aware of that information.

Auditors

Following a competitive tender process during the year, KPMG LLP were re-appointed as auditors for the year ended 31 March 2026. Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

By order of the Trustees

Sir Nicholas Bacon, Bt
Trustee

Sir Brian Ivory
Trustee

York House
St James’s Palace
London SW1A 1BQ
8 July 2026

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE ROYAL COLLECTION TRUST

Opinion

We have audited the financial statements of The Royal Collection Trust ("the Charitable Company") for the year ended 31 March 2026 which comprise the Consolidated Statement of Financial Activities, The Royal Collection Trust Statement of Financial Activities, Consolidated and Trust Balance Sheet, Consolidated Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Charitable Company's affairs as at 31 March 2026 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 UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Charitable Company or to cease their operations, and as they have concluded that the Group's and the Charitable Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Trustees' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group's and Charitable Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and

- we have not identified, and concur with the Trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Charitable Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Charitable Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors/ trustees, internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.

- Reading Board minutes of the Board of Trustees, and Audit and Risk Assurance Committee Meetings

- Using analytical procedures to identify any unusual or unexpected relationships. We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Group's revenue primarily arises from non-complex, individually low value transactions with simple recognition criteria.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual combinations of postings in relation to cash.

- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety and employment law recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect noncompliance with all laws and regulations.

Other information

The Trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the Directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended), we are required to report to you if, in our opinion:

- the Charitable Company has not kept adequate and proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 25, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group's and the 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 they either intend to liquidate the Group or the Charitable Company or to cease operations, or have no realistic alternative but to do so.

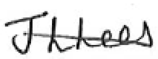
Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at **www.frc.org.uk/auditorsresponsibilities**.

The purpose of our audit work and to whom we owe our responsibilities

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, and to the Charitable Company's Trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members and the Charitable Company's Trustees 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 Charitable Company, its members, as a body and its Trustees, as a body, for our audit work, for this report or for the opinions we have formed.



Joanne Lees (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
15 Canada Square
London
E14 5GL

09 July 2026

Royal Collection Trust

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the consolidated income and expenditure account)
For the year ended 31 March 2026

	Note	**Income Funds** Unrestricted £000	Restricted £000	**2026** Total £000	Income Funds Unrestricted £000	Restricted £000	2025 Total £000
Income							
Donations and legacies	4,19	**1**	**567**	**568**	30	59	89
Charitable Activities							
Access		**61,004**	**-**	**61,004**	63,794	-	63,794
Presentation and interpretation		**339**	**-**	**339**	332	-	332
Other Trading Activities							
Retail, catering, photographic services		**21,352**	**-**	**21,352**	21,681	-	21,681
Licences, commissions and fees	2	**270**	**-**	**270**	305	-	305
Investments							
Investment income	6	**1,584**	**-**	**1,584**	607	-	607
Other income		**192**	**-**	**192**	106	-	106
Insurance receipt	19	**-**	**-**	**-**	3,020	-	3,020
Total income		**84,742**	**567**	**85,309**	89,875	59	89,934
Expenditure							
Raising Funds							
Fundraising	7	**25**	**-**	**25**	42	-	42
Retail, catering, photographic services	7	**20,070**	**-**	**20,070**	20,876	-	20,876
		20,095	**-**	**20,095**	20,918	-	20,918
Charitable Activities							
Access	7	**41,344**	**-**	**41,344**	39,255	-	39,255
Presentation and interpretation	7,19	**6,642**	**228**	**6,870**	6,398	40	6,438
Exhibitions and displays	7,19	**2,541**	**13**	**2,554**	2,130	13	2,143
Conservation	7,19	**3,852**	**25**	**3,877**	3,608	38	3,646
Custodial control	7	**3,071**	**-**	**3,071**	2,466	-	2,466
		57,450	**266**	**57,716**	53,857	91	53,948
Other							
Donations payable	5	**764**	**-**	**764**	797	-	797
Interest payable	6	**227**	**-**	**227**	347	-	347
Insurance repayable	19	**2,985**	**-**	**2,985**	-	-	-
Total expenditure		**81,521**	**266**	**81,787**	75,919	91	76,010
Net income/(deficit)		**3,221**	**301**	**3,522**	13,956	(32)	13,924
Other recognised gains							
Actuarial gain on pension scheme	21	**100**	**-**	**100**	1,300	-	1,300
Net movement in funds		**3,321**	**301**	**3,622**	15,256	(32)	15,224
Reconciliation of funds:							
Total funds brought forward		**58,187**	**483**	**58,670**	42,931	515	43,446
Total funds carried forward		**61,508**	**784**	**62,292**	58,187	483	58,670

The results shown above relate to continuing activities. There are no recognised gains or losses other than those included above. The incoming resources and resources expended for the year are measured under the historical cost convention. The notes on pages 36 to 64 form part of these financial statements.

THE ROYAL COLLECTION TRUST STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2026

		Income Funds		**2026**	Income Funds		2025
	Note	**Unrestricted**	**Restricted**	**Total**	Unrestricted	Restricted	Total
		£000	**£000**	**£000**	£000	£000	£000
Income							
Donations and legacies							
Received from subsidiary	*24*	**8,797**	**-**	**8,797**	**7,123**	**-**	**7,123**
Other donations	*4,19*	**1**	**567**	**568**	**30**	**59**	**89**
Charitable Activities							
Access		**61,030**	**-**	**61,030**	**63,815**	**-**	**63,815**
Presentation and interpretation		**227**	**-**	**227**	**211**	**-**	**211**
Investments							
Investment income	*6*	**452**	**-**	**452**	**204**	**-**	**204**
SOther		**915**	**-**	**915**	**882**	**-**	**882**
Insurance receipt	*19*	**-**	**-**	**-**	**3,020**	**-**	**3,020**
Total		**71,422**	**567**	**71,989**	**75,285**	**59**	**75,344**
Expenditure							
Raising Funds		**25**	**-**	**25**	**42**	**-**	**42**
		25	**-**	**25**	**42**	**-**	**42**
Charitable Activities							
Access		**52,947**	**-**	**52,947**	**49,914**	**-**	**49,914**
Presentation and interpretation	*19*	**3,890**	**228**	**4,118**	**3,709**	**40**	**3,749**
Exhibitions and displays	*19*	**1,004**	**13**	**1,017**	**986**	**13**	**999**
Conservation	*19*	**3,852**	**25**	**3,877**	**3,608**	**38**	**3,646**
Custodial control		**3,071**	**-**	**3,071**	**2,466**	**-**	**2,466**
		64,764	**266**	**65,030**	**60,683**	**91**	**60,774**
Other expenditure		**165**	**-**	**165**	**165**	**-**	**165**
Insurance repayable	*19*	**2,985**	**-**	**2,985**	-	-	-
Interest payable	*6*	**227**	**-**	**227**	**347**	**-**	**347**
Total expenditure		**68,166**	**266**	**68,432**	**61,237**	**91**	**61,328**
Net income/(deficit)		**3,256**	**301**	**3,557**	**14,048**	**(32)**	**14,016**
Other recognised gains							
Actuarial gain on pension scheme	*21*	**100**	**-**	**100**	**1,300**	**-**	**1,300**
Net movement in funds		**3,356**	**301**	**3,657**	**15,348**	**(32)**	**15,316**
Reconciliation of funds:							
Total funds brought forward		**57,800**	**483**	**58,283**	42,452	515	42,967
Total funds carried forward		**61,156**	**784**	**61,940**	**57,800**	**483**	**58,283**

The notes on pages 36 to 64 form part of these financial statements.

Royal Collection Trust

CONSOLIDATED AND TRUST BALANCE SHEET

As at 31 March 2026

		2026		2025	
		Group	**Trust**	Group	Trust
	Note	**£000**	**£000**	£000	£000
Non-current assets					
Intangible assets	*11*	**3,349**	**3,340**	3,557	3,537
Tangible assets	*12*	**39,843**	**39,450**	39,977	39,551
Total non-current assets		**43,192**	**42,790**	43,534	43,088
Current assets					
Stock and work in progress	*14*	**5,485**	**-**	6,565	-
Debtors	*15*	**3,557**	**20,221**	2,081	13,047
Bank deposits		**19,744**	**1,655**	10,861	545
Cash at bank and in hand		**502**	**6**	789	10
Total current assets		**29,288**	**21,882**	20,296	13,602
Liabilities					
Creditors: amounts due within one year	*17*	**(14,288)**	**(6,832)**	(8,960)	(2,207)
Net current assets		**15,000**	**15,050**	11,336	11,395
Net assets excluding pension asset		**58,192**	**57,840**	54,870	54,483
Defined benefit pension scheme asset	*21*	**4,100**	**4,100**	3,800	3,800
Total net assets		**62,292**	**61,940**	58,670	58,283
Funds	*19*				
Restricted funds					
Fixed assets		**238**	**238**	251	251
Cash & Debtors		**546**	**546**	232	232
Total restricted funds		**784**	**784**	483	483
Unrestricted funds					
General funds:					
Fixed assets		**42,954**	**42,552**	43,283	42,837
Designated funds	*19*	**35**	**35**	3,020	3,020
Free reserve		**14,419**	**14,469**	8,084	8,143
Pension reserve	*21*	**4,100**	**4,100**	3,800	3,800
Total unrestricted funds		**61,508**	**61,156**	58,187	57,800
Total funds		**62,292**	**61,940**	58,670	58,283

The notes on pages 36 to 64 form part of these financial statements. These financial statements were approved by the Trustees on 8 July 2026 and were signed on their behalf by:

Sir Nicholas Bacon, Bt
Trustee

Sir Brian Ivory
Trustee

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

Reconciliation of net income to net cash generated by operating activities

	2026	2025
	£000	£000
Net income for the year	**3,622**	15,224
Adjustments for:		
Actuarial gain on defined benefit pension scheme	**(100)**	(1,300)
Amortisation	**208**	208
Depreciation	**2,664**	3,140
Loss on disposal of fixed assets	**1**	100
Decrease/(increase) in stock	**1,080**	(1,629)
(Increase)/decrease in debtors	**(1,079)**	609
Increase in creditors	**5,328**	467
Interest receivable	**(1,584)**	(607)
Interest payable	**227**	347
Net cash generated by operating activities	**10,367**	16,559

Statement of cash flows

	2026	2025
Net cash generated by operating activities	**10,367**	16,559
Cash flows from investing activities:		
Interest income	**970**	507
Purchase of intangible assets	**-**	-
Purchase of tangible fixed assets	**(2,531)**	(1,287)
Net cash used in investing activities	**(1,561)**	(780)
Cash flows from financing activities		
Repayment of loan	**-**	(7,500)
Payment of loan interest / facility cost	**(210)**	(325)
Net cash used in financing activities	**(210)**	(7,825)
Change in cash and cash equivalents in the year	**8,596**	7,954
Cash and cash equivalents at the beginning of the year	**11,650**	3,696
Cash and cash equivalents at the end of the year	**20,246**	11,650
Analysis of cash and cash equivalents		
Cash at bank and in hand	**19,744**	10,861
Bank deposits	**502**	789
Total cash and cash equivalents	**20,246**	11,650

The notes on pages 36 to 64 form part of these financial statements.

NOTES (forming part of the Financial Statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

Status of company

The Royal Collection Trust ("The Trust") is a company limited by guarantee, incorporated on 29 January 1993 and registered as a charity in England and Wales on 2 February 1993. The Charity is a public benefit entity. The Office of the Scottish Charity Regulator approved The Trust's application to be registered as a charity in Scotland on 5 August 2008. The company was established under a Memorandum of Association which established the objects and powers of The Trust and is governed under its Articles of Association.

Basis of preparation

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP 2019 (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The company is exempt from the requirement to disclose the details of related party transactions with its subsidiary undertaking.

The subsidiary's principal activities include: management of the admission of visitors to the official residences of The King to view the Royal Collection, the publication of books on the Royal Collection, the granting of rights for the use of images from the Royal Collection in books and other media and the sale of merchandise.

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate.

The Trustees have reviewed income, expenditure and cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements based on a 'most likely' scenario. In addition, sensitivity analysis has been prepared to reflect a reasonably plausible downside scenario. This analysis takes account of the requirements to service and repay borrowing facilities.

The Trust has a revolving credit facility that permits borrowing up to £10 million, which can be retained until March 2028. No security was required for the facility. The Trust has complied with the associated covenants since the facility was granted and expects to remain compliant for the full term of the loan. The Trust has not had need to draw on the facility since July 2024. Under current forecasts there is no planned utilisation of the facility.

Forecasts show that the Group and Charity will be able to continue in operation for a period of at least 12 months from the approval of the financial statements and will have sufficient funds to meet their liabilities as they fall due and will comply with loan covenants and the requirements to service and repay the loan.

On this basis, the Trustees have concluded that it is appropriate to prepare the financial statements on a going concern basis.

1 Accounting policies *(continued)*

Basis of consolidation

The group (collectively referred to as Royal Collection Trust or "the Group") accounts consolidate The Royal Collection Trust and its subsidiary undertaking, Royal Collection Enterprises Limited on a line-by-line basis. These accounts are made up to 31 March 2026.

Income

Income represents:

- the amounts derived from admission charges (including any Gift Aid receivable) which are culturally exempt from VAT;
- income (excluding VAT), from the sale of goods and reproduction rights;
- the receipt of royalties from publications and merchandise;
- donations; and
- other income includes booking fees and sundry income.

In general, income is accounted for on a receivable basis, but is deferred when it is received in respect of events or transactions occurring after the year end. Entitlement to a donation arises immediately on receipt, pledges and promises of donations are only recognised as income when the receipt is probable and the amount of the promised gift can be measured reliably.

Resources expended

All outgoing resources are included in the Statement of Financial Activities inclusive of any irrecoverable VAT.

Donations are included in the Statement of Financial Activities when payable. Other charitable expenditure is recognised on an accruals basis, with liabilities valued at their settlement amount.

Expenditure incurred within The Trust is allocated between that incurred directly on admitting the public to the official residences, the conservation and maintenance of items in the Royal Collection, and that incurred on the management and administration of The Trust, details of which are disclosed in note 7. The allocation of management and administration costs between The Trust and its trading subsidiary and the subsequent apportionment to individual activities is based on an estimated proportion of time spent on those activities.

Governance costs

These costs include the costs of governance arrangements which relate to the general running of The Trust as opposed to the direct management functions inherent in day-to-day operations. This includes such items as internal and external audit, legal advice for Trustees and costs associated with regulatory and statutory requirements.

Support costs

Support costs represent the staffing and associated costs of marketing, finance, human resources, IT and general administration in supporting the operational programmes for which The Trust is responsible.

1 Accounting policies *(continued)*

Exhibition costs
The costs of mounting exhibitions are written off as incurred.

Publishing
The cost of producing each book is carried forward as work in progress until publication. Where, however, it is envisaged that a book will make a loss (e.g. academic or specialist publications), the loss is recognised immediately. Publication titles are included in stock at the lower of cost or net realisable value. Publishing royalties are recognised when earned.

Fixed assets and depreciation
The buildings comprising Windsor Castle, Buckingham Palace (including The King's Gallery and the Royal Mews) and the Palace of Holyroodhouse (including The King's Gallery) are owned by The King as Sovereign and maintained by the Royal Household Property Section and Historic Environment Scotland. However, where improvements or major redevelopments are made to these buildings by Royal Collection Trust, in order to increase revenues or to fulfil The Trust's charitable objects, the expenditure (including irrecoverable VAT) is capitalised and depreciation is charged over the estimated useful lives of the assets.

The Royal Collection consists of works of art of all kinds which are held by The King in right of the Crown and are held in trust for his Successors and the Nation. These are assets of historical and artistic importance that are held to advance the preservation, conservation and educational objectives of The Trust. Assets held in right of the Crown are not recognised as Heritage Assets by Royal Collection Trust, as they do not meet the recognition criteria of an asset under FRS 102 and are therefore not capitalised in these financial statements. Royal Collection Trust cannot control the benefits that arise from these assets as its role with respect to the Royal Collection as defined by its charitable objects is to administer, conserve, renovate, repair, maintain, improve and advise on the Royal Collection, the Royal Archives and the Photograph Collection which pass in right of the Crown.

All fixed assets are included in the financial statements at historical cost. No depreciation or amortisation is charged on assets in the course of construction until the assets have been successfully commissioned and are available for use. Finance costs incurred in connection with the construction of tangible assets are not capitalised and are charged to the income and expenditure account as incurred.

Depreciation and amortisation is provided by Royal Collection Trust to write off the cost or valuation less estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives which are determined on an individual asset basis as follows:

Building redevelopments	-	40 years
Property improvements	-	5 to 20 years
Plant and machinery	-	5 to 20 years
Furniture, fittings and equipment	-	2 to 10 years
Software development	-	3 to 10 years

Individual assets costing less than £5,000 are not capitalised.

1 Accounting policies *(continued)*

If an asset is available for use but the cost cannot be reliably measured by the year end date (e.g. for construction projects where the final valuation of works is yet to be certified), the estimated cost of the asset is included in Assets in the Course of Construction and an accrual for estimated depreciation is charged against income and held in accruals until the final valuation is known and recorded in the fixed asset register. Where a project is complete and the asset is in use, but a retention is outstanding, the retention and associated depreciation are also accrued.

Foreign currencies
Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate of exchange ruling at the balance sheet date and the gains and losses on translation are included in the income and expenditure account.

Stock and work in progress
Stock and work in progress is stated at the lower of cost and net realisable value. Work in progress relates to the component cost of publishing stock and china products. Stock is valued using the first in first out method (FIFO).

Estimates and judgements
Provision is made against stock and work in progress where there are specific risks identified against the recoverability of carrying value. Further detail is given in note 14.

The pension costs and obligations of the Royal Households Group Pension Scheme are calculated on the basis of a range of assumptions, including the discount rate, inflation rate, salary growth and mortality. Differences arising as a result of actual experience differing from the assumptions, or future changes in the assumptions will be reflected in subsequent periods. A small change in assumptions can have a significant impact on the valuation of the liabilities. More details on the assumptions used, including sensitivity analysis, are given in Note 21. It should also be noted that the apportionment of assets between participating employers is subject to judgement, and the approach used has been applied consistently with the funding valuation and over time.

Financial instruments
The Charity holds basic financial instruments. These are initially measured at the amount receivable or payable and subsequently at the amount expected to be received or paid. The financial instruments that the Charity commonly holds are

- Cash and long-term bank deposits – measured at the amount of cash held;
- Trade debtors – initially measured at settlement amount, subsequently this may be adjusted to reflect credit risk;
- Accrued income – measured at the amount expected to be received, subsequently this may be adjusted if the expectation of receipt changes; and
- Trade creditors – measured at the amount to be settled net of any trade discounts.
- Loans (liabilities) – measured at amortised cost. Transaction costs are spread over the life of the facility
- Loans (assets) – measured at amortised cost.

No financial instruments are held at fair value through profit or loss. Financial instruments are held at amortised cost if the effect of discounting is material to the financial statements.

1 Accounting policies *(continued)*

Pensions

Royal Collection Trust participates in two pension schemes providing benefits based on final pensionable pay, The Royal Household Pension Scheme and The Royal Households Group Pension Scheme, and also a defined contribution scheme. The assets of the schemes are held separately from those of Royal Collection Trust. Contributions to the schemes are charged to the Statement of Financial Activities to reflect the cost of benefits accruing to members so as to spread pension costs over employees' working lives with Royal Collection Trust.

One of these pension schemes, The Royal Household Pension Scheme, is managed by the Government and the benefits of the scheme are broadly analogous to the benefits of the Principal Civil Service Scheme (PCSPS). It is an unfunded scheme and the Consolidated Fund pays as a Standing Service the pension benefits of those Royal Collection Trust employees who entered employment before 1 April 2001.

The liabilities for this scheme are included within the resource accounts of the Consolidated Fund Account. Royal Collection Trust is unable to identify the share of the underlying assets and liabilities of the scheme attributable to its employees on a consistent and reasonable basis and therefore as permitted by FRS 102 this scheme is treated as a defined contribution scheme by Royal Collection Trust and the full cost of contributions made in the year is reflected in the Statement of Financial Activities.

The other scheme, The Royal Households Group Pension Scheme, is accounted for in accordance with FRS102 with current service cost and net interest cost recognised in net income and remeasurement of the net defined benefit asset or liability recognised in other comprehensive income. This scheme was closed to future service accrual from 1 April 2021 (although active members will maintain the link to future salary increases). From this date, members are enrolled in the defined contribution scheme, unless they choose to opt-out.

The assets of the defined contribution scheme are held separately from those of the company in an independently administered fund. The amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Further details of the pension schemes are provided in note 21.

Taxation

The Royal Collection Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. In addition because the subsidiary is bound by deed of covenant to transfer all its taxable profit to The Trust, it incurs no liability to tax. Consequently Royal Collection Trust has no liability to tax and no deferred tax.

Restricted Funds

Restricted Funds include those receipts which are subject to specific restrictions, including donations towards specific projects for conservation and publishing.

1 Accounting policies *(continued)*

Unrestricted Funds
Unrestricted Funds include donations and other income received without restriction, including the profits of the subsidiary, which are expendable at the discretion of the Trustees.

Operating Leases
Operating lease rentals (net of any lease incentive) are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Donated Goods, Facilities and Services
Donated goods, facilities and services are recognised when it has been established that The Trust has an entitlement to them, their receipt is probable and that their value can be measured reliably. Donated goods are measured at their fair value, while donated facilities and services are measured on the basis of their value to The Trust.

FRS 102 – impact of Periodic Review 2024

The Financial Reporting Council has issued amendments to FRS 102 following the Periodic Review 2024, effective for accounting periods beginning on or after 1 January 2026. The Company will apply these amendments for the first time in the year ended 31 March 2027. The adoption of the new lease accounting model will result in the recognition of right-of-use assets and lease liabilities. If the standard had been in place for the current financial year, the operating lease commitments disclosed in note 20 would have been presented instead as right of use assets and corresponding liability. Based on an initial assessment of the asset portfolio, the Group would have recognised assets and lease liabilities of approximately £3.5 million at 31 March 2026, of which around £0.5 million is attributable to The Trust. The net impact on profit would not be material.

The changes to FRS 102 are not expected to have any other material impact.

2 Licences, commissions and fees

	2026	2025
	£000	£000
Licences & royalties	**144**	166
Fees	**125**	139
	269	305

3 Net income is stated after charging:

	2026	2025
	£000	£000
Auditor's remuneration:		
Audit of these financial statements	58	61
Audit of subsidiary undertakings	39	40
Depreciation, amortisation and impairment		
Owned assets	2,872	3,348
Operating lease charges	704	515

4 Donations and legacies received

	2026	2025
	£000	£000
Donations	568	89

Donations received in the year include a pledged amount to be received over a 5 year period. Further information on restricted fund donations is given in note 19.

5 Donations payable

Donations payable in the year were as follows:

	Group	Group	Trust	Trust
	2026	2025	2026	2025
	£000	£000	£000	£000
Privy Purse Charitable Trust	**764**	797	**-**	-

6 Investment income and interest payable

	Group	Group	Trust	Trust
	2026	2025	2026	2025
	£000	£000	£000	£000
Investment income on cash deposits	**1,384**	507	**252**	104
Net interest income on defined benefit pension assets/ interest charge on liabilities	**200**	100	**200**	100
	1,584	607	**452**	204

	Group	Group	Trust	Trust
	2026	2025	2026	2025
	£000	£000	£000	£000
Interest and charges payable on bank loans	**227**	347	**227**	347

For further detail on the defined benefit pension scheme, please refer to note 21.

Interest and charges payable represent interest and fees for the revolving credit facility and amortisation of arrangement fees which is spread over the life of the revolving credit facility. Further details of the borrowing facilities are given in note 18.

7 Resources expended

	Direct costs £000	Central & HR £000	IT £000	Finance £000	Govern-ance £000	2026 Total £000
Raising funds:						
Fundraising	25	-	-	-	-	25
Retail, catering, photographic	17,841	1,545	366	234	84	20,070
Charitable activities:						
Access	38,987	1,586	407	260	104	41,344
Presentation & interpretation	5,162	1,264	217	139	88	6,870
Exhibition & displays	2,069	368	54	35	28	2,554
Conservation	3,756	92	14	9	6	3,877
Custodial control	2,829	184	27	17	14	3,071
TOTAL	**70,669**	**5,039**	**1,085**	**694**	**324**	**77,811**

	Direct costs £000	Central & HR £000	IT £000	Finance £000	Govern-ance £000	2025 Total £000
Raising funds:						
Fundraising	42	-	-	-	-	42
Retail, catering, photographic	18,868	1,379	344	207	78	20,876
Charitable activities:						
Access	37,128	1,417	382	230	98	39,255
Presentation & interpretation	4,804	1,224	204	123	83	6,438
Exhibition & displays	1,667	368	51	31	26	2,143
Conservation	3,527	91	13	8	7	3,646
Custodial control	2,228	185	25	15	13	2,466
TOTAL	**68,264**	**4,664**	**1,019**	**614**	**305**	**74,866**

Non-direct costs are allocated on the basis of estimated usage. For detail on governance costs, see note 9.

8 Key management personnel, staff numbers and staff costs

The key management personnel of the group comprise the Trustees and the Management Board.

Trustees

None of the Trustees received any remuneration during the year in connection with their role as a Trustee of The Royal Collection Trust. The Trust paid liability insurance in respect of each Trustee at a cost of £483 per Trustee (2024/25: £322). Trustee expenses in note 9 include entertainment costs. None of the Trustees received reimbursed expenses (2024/25: nil).

8 Key management personnel, staff numbers and staff costs *(continued)*

Management Board

Key Management Personnel of the Group are the Trustees and Management Board. The Members of the Management Board are the Director of the Royal Collection, the Director of Finance and Corporate Services and the Director of Commercial Operations and Engagement.

The total payments to the Management Board during these periods were as follows:

	2026	2026	2025	2025
	Total benefits	**Pension contribution** *(included in total benefits)*	**Total benefits**	**Pension contribution** *(included in total benefits)*
	£000	**£000**	**£000**	**£000**
Management Board	**516**	**60**	531	67

This amounts above include costs incurred through payroll and payment of fees for Director services.

Members of Management Board do not receive an expense allowance (but may be reimbursed for out-of-pocket expenses). The total remuneration of the Director of the Royal Collection was as follows:

	Total remuneration		**Salary**		**Pension**	
	2026	2025	**2026**	2025	**2026**	2025
	£000	£000	**£000**	£000	**£000**	£000
Tim Knox	**186**	181	**162**	157	**24**	24

Pay and remuneration for key management personnel is determined on the same basis as that applied in relation to all roles, that is, a system of job evaluation and market intelligence relating to comparable external roles.

8 Key management personnel, staff numbers and staff costs *(continued)*

The average monthly head count was 1,106 staff (2025: 1,064 staff). The average number of full-time equivalent (FTE) staff employed by the group or on permanent secondment from the Royal Household, analysed by category, was as set out below:

	Number of FTE employees	
	2026	2025
Care of the Royal Collection	**99**	89
Visitor experience	**466**	438
Central retail, publishing & communications	**72**	66
Management & support services	**18**	19
Royal Household shared services	**82**	77
	737	689

The aggregate payroll costs of these persons were as follows:

	2025/26	2024/25
	£000	£000
Wages and salaries	**24,878**	22,993
Social security costs	**2,992**	2,080
Other pension costs	**3,383**	3,049
	31,253	28,122

Included within wages and salaries is £55,000 of redundancy and severance payments (2025: £nil).

8 Key management personnel, staff numbers and staff costs *(continued)*

The Charities SORP requires that the number of employees whose total employee benefits exceed £60,000 is disclosed in bands of £10,000.

The following table shows the number of employees whose benefits (excluding contributions made to a pension scheme) were in excess of £60,000. These include staff employed by the Group or directly funded by the Group (including the directors of Royal Collection Enterprises Limited).

	2025/26		2024/25	
	All staff	**Management Board**	All staff	Management Board
£60,001 - £70,000	**6**	**-**	6	-
£70,001 - £80,000	**4**	**-**	6	-
£80,001 - £90,000	**4**	**-**	5	-
£90,001 - £100,000	**4**	**-**	2	-
£100,001 - £110,000	**1**	**-**	-	-
£120,001 - £130,000	**1**	**1**	1	1
£140,001 - £150,000	**-**	**-**	1	1
£150,001 - £160,000	**1**	**1**	1	1
£160,001 - £170,000	**1**	**1**	-	-
	22	**3**	22	3

No contributions to defined benefit pension schemes were made in respect of any members of staff (2024/25: nil).

9 Governance costs

	Group 2026 £000	Group 2025 £000	**Trust 2026 £000**	Trust 2025 £000
External audit	**97**	101	**60**	60
Internal audit	**102**	86	**26**	21
Allocated internal costs	**117**	112	**44**	44
Trustee expenses (see note 8)	**8**	6	**8**	6
	324	305	**138**	131

Trustee expenses are costs of Indemnity Insurance, Companies House fees and refreshments/subsistence.

10 Deferred Income

Income is deferred where it is received in respect of events or transactions occurring in the future, including advance admission-ticket sales.

	2026 £000	2025 £000
At 1 April	**3,356**	3,245
Income brought forward released during year	**(3,356)**	(3,245)
Income deferred at the year end	**4,607**	3,356
At 31 March	**4,607**	3,356

11 Intangible assets

	Software development	Pug Yard Access	Total
	£000	**£000**	**£000**
Group			
Cost			
At 1 April 2025	955	4,903	5,858
Additions	-	-	-
Disposals /write-off	-	-	-
At 31 March 2026	**955**	**4,903**	**5,858**
Amortisation			
At 1 April 2025	935	1,366	2,301
Charge for the year	11	197	208
At 31 March 2026	**946**	**1,563**	**2,509**
Net book value			
At 31 March 2026	**9**	**3,340**	**3,349**
At 31 March 2025	20	3,537	3,557
Trust			
Cost			
At 1 April 2025	702	4,903	5,605
Additions	-	-	-
Disposals /write-off	-	-	-
At 31 March 2026	**702**	**4,903**	**5,605**
Amortisation			
At 1 April 2025	702	1,366	2,068
Charge for the year	-	197	197
Disposals /write-off	-	-	-
At 31 March 2026	**702**	**1,563**	**2,265**
Net book value			
At 31 March 2026	**-**	**3,340**	**3,340**
At 31 March 2025	-	3,537	3,537

The intangible assets balance includes £3.3 million (2025: £3.5 million) in respect of a licence to use Pug Yard at Windsor Castle to construct a Learning Centre. The licence was granted to The Trust in return for funding the construction of Frogmore Workshops and was initially valued at the cost of construction. The licence is being amortised over the life of the new Learning Centre as the best estimate of the useful life of the licence, and at 31 March 2026 it has 17 years of amortisation remaining.

12 Tangible fixed assets

	Building developments	Property improvement	Plant and machinery	Furniture, fittings and equipment	Assets in course of construction	Total
	£000	£000	£000	£000	£000	£000
Group						
Cost						
At 1 April 2025	45,765	11,641	7,476	8,210	135	73,227
Additions	-	129	33	1,108	1,261	2,531
Transfers	-	-	-	52	(52)	-
Disposals /write-off	(1)	-	-	(121)	-	(122)
At 31 March 2026	**45,764**	**11,770**	**7,509**	**9,249**	**1,344**	**75,636**
Depreciation						
At 1 April 2025	13,082	6,542	6,447	7,179	-	33,250
Charge for the year	1,144	940	239	341	-	2,664
Disposals /write-off	(1)	-	-	(120)	-	(121)
At 31 March 2026	**14,225**	**7,482**	**6,686**	**7,400**	**-**	**35,793**
Net book value						
At 31 March 2026	**31,539**	**4,288**	**823**	**1,849**	**1,344**	**39,843**
At 31 March 2025	32,683	5,099	1,029	1,031	135	39,977
Trust						
Cost						
At 1 April 2025	45,765	11,241	7,134	7,065	135	71,341
Additions	-	66	32	1,110	1,261	2,468
Transfers	-	-	-	52	(52)	-
Disposals /write-off	(1)	-	-	(65)	-	(66)
At 31 March 2026	**45,764**	**11,307**	**7,166**	**8,162**	**1,344**	**73,743**
Depreciation						
At 1 April 2025	13,082	6,314	6,231	6,163	-	31,790
Charge for the year	1,144	902	218	304	-	2,568
Disposals /write-off	(1)	-	-	(64)	-	(65)
At 31 March 2026	**14,225**	**7,216**	**6,449**	**6,403**	**-**	**34,293**
Net book value						
At 31 March 2026	**31,539**	**4,091**	**717**	**1,759**	**1,344**	**39,450**
At 31 March 2025	32,683	4,927	903	902	135	39,551

Assets in the course of construction relates to capital expenditure that has not yet met the criteria for recognition on the fixed asset register. These are assets that are not yet ready for use.

The net book value of intangible and tangible assets held at 31 March 2026 amounted to £43.1 million, of which £38.9 million was held for charitable activities and £4.2 million was held for trading activities.

13 Fixed asset investments

On 31 March 1993 The Trust acquired all of the issued shares of Royal Collection Enterprises Limited for no consideration; the investment is shown in the balance sheet at market value, which in the opinion of the Trustees is nil as the undertakings of Royal Collection Enterprises Limited cannot be transferred to third parties. Furthermore, in the event of Royal Collection Enterprises Limited ceasing to trade, the Trustees estimate that the realisable value of that company's net assets would be nil.

Details of subsidiary undertaking:

	Country of registration or incorporation	**Principal activity**	**Class and percentage of shares held**
Royal Collection Enterprises Limited York House St James's Palace London SW1A 1BQ	England and Wales	Management of public access to the Official Residences of the Sovereign	Ordinary shares 100%

14 Stock and work in progress

	Group 2026 £000	Group 2025 £000	**Trust 2026 £000**	Trust 2025 £000
Finished goods	**4,543**	5,491	**-**	-
Work in progress	**942**	1,074	**-**	-
	5,485	6,565	**-**	-

The decrease in stock is primarily due to improvements in forecasting and ordering efficiency, and clearance of aged stock lines. Stock is stated net of a provision of £466,000 (2025: £555,000). The provision reflects the risk of not recovering the carrying value of specific stock items. Stock is valued using the FIFO method (first in, first out).

15 Debtors

	Group 2026 £000	Group 2025 £000	**Trust 2026 £000**	Trust 2025 £000
Trade debtors	**400**	822	**255**	624
Amounts due from subsidiary	**-**	-	**18,699**	12,034
Other debtors	**668**	623	**-**	-
Prepayments and accrued income	**2,489**	636	**1,267**	389
	3,557	2,081	**20,221**	13,047

16 Movement in cash and net debt

	31 March 2025	Cash from operating & investing activities	Loan fees paid	31 March 2026
	£000	£000	£000	£000
Cash at bank & in hand	11,650	8,806	(210)	20,246
Net cash	**11,650**	**8,806**	**(210)**	**20,246**

17 Creditors: amounts falling due within one year

	Group 2026	Group 2025	**Trust 2026**	Trust 2025
	£000	£000	**£000**	£000
Trade creditors	**2,737**	2,715	**852**	939
Amounts due to subsidiary	**-**	-	**2,506**	793
Other creditors including taxation	**22**	23	**-**	-
Accruals and deferred income	**8,544**	6,222	**489**	475
Provision for insurance repayment	**2,985**	-	**2,985**	
	14,288	8,960	**6,832**	2,207

18 Creditors due in more than one year

	Group 2026	Group 2025	**Trust 2026**	Trust 2025
	£000	£000	**£000**	£000
Loan	**-**	-	**-**	-
Undrawn facility	***10,000***	*15,000*	***10,000***	*15,000*

The loan facility is a revolving credit facility (RCF). Amounts drawn under the agreement are charged at an annual rate of 2.8% plus the bank base rate. Undrawn amounts incur a 1.4% per annum non-utilisation fee. The remaining facility can be drawn at any time by request from The Trust. Drawn funds can be returned to the bank without reducing the facility. The facility will end in March 2028, unless The Charity chooses to cancel part or all of the facility early.

The facility is subject to a covenant that tests liquidity at specified points. There have been no breaches of covenant during the year or subsequently, and the Charity expects to comply with the covenant for the full term of the loan facility.

The loan was not utilised during the year. Following preparation and review of long term financial projections, in March 2026 the Company reduced the facility from £15 million to £10 million.

19 Income Funds

Group	Restricted funds	Designated fund	Pension reserve	General funds	Total
	£000	£000	£000	£000	£000
At 31 March 2025	483	3,020	3,800	51,367	**58,670**
Incoming resources	567	-	200	84,542	**85,309**
Resources expended	(266)	(2,985)	-	(78,536)	**(81,787)**
Actuarial gain	-	-	100	-	**100**
At 31 March 2026	**784**	**35**	**4,100**	**57,373**	**62,292**

Group	Restricted funds	Designated fund	Pension reserve	General funds	Total
	£000	£000	£000	£000	£000
At 1 April 2024	515	-	2,400	40,531	**43,446**
Incoming resources	59	3,020	100	86,755	**89,934**
Resources expended	(91)	-	-	(75,919)	**(76,010)**
Actuarial gain	-	-	1,300	-	**1,300)**
At 31 March 2025	**483**	**3,020**	**3,800**	**51,367**	**58,670**

Trust	Restricted funds	Designated fund	Pension reserve	General funds	Total
	£000	£000	£000	£000	£000
At 31 March 2025	**483**	**3,020**	**3,800**	**50,980**	**58,283**
Incoming resources	**567**	-	**200**	**71,222**	**71,989**
Resources expended	**(266)**	**(2,985)**	-	**(65,181)**	**(68,432)**
Actuarial gain	-	-	**100**	-	**100**
At 31 March 2026	**784**	**35**	**4,100**	**57,021**	**61,940**

Trust	Restricted funds	Designated fund	Pension reserve	General funds	Total
	£000	£000	£000	£000	£000
At 1 April 2024	**515**	-	**2,400**	**40,052**	**42,967**
Incoming resources	**59**	**3,020**	**100**	**72,165**	**75,344**
Resources expended	**(91)**	-	-	**(61,237)**	**(61,328)**
Actuarial gain	-	-	**1,300**	-	**1,300)**
At 31 March 2025	**483**	**3,020**	**3,800**	**50,980**	**58,283**

At 31 March 2025, the designated fund consisted of a £3.0 million insurance receipt. The receipt was recognised in unrestricted income in 2024/25. The settlement was in respect of snuff boxes while on loan to a third party. The funds were designated for use to enhance the Royal Collection and none were utilised during the year. In 2025/26 one of the two snuff boxes, valued at £3 million, was recovered. Due to damage to this item, the amount to be repaid to the insurer is yet to be determined. A provision of £3.0 million has been recognised in unrestricted designated funds at 31 March 2026. Any variation to this amount in the final settlement will also be applied to the designated fund.

19 Income Funds *(continued)*

Restricted funds:	Opening Funds £000	Income £000	Expenditure £000	Closing Funds £000
Presentation and interpretation:				
Publishing Supporters Fund	143	397	(113)	**427**
Learning Supporters Fund	54	5	(16)	**43**
Digital and technology	-	125	(99)	**26**
Other restricted funds	20	-	-	**20**
	217	527	(228)	**516**
Conservation:				
Painting restoration, interns	15	40	(25)	**30**
Exhibitions:				
The King's Gallery, London	186	-	(9)	**177**
The King's Gallery, Edinburgh	65	-	(4)	**61**
	251	**-**	(13)	**238**
Total restricted funds	483	567	(266)	**784**

Presentation and Interpretation

The Publishing Supporters Fund includes support for specific titles and funding for general publishing spend. Donations in the year included funding to support the Collection Online project and a sum pledged over 5 years to support the production of a catalogue raisonné of drawings by Leonardo Da Vinci. Utilisation during the year related to digitisation of Cassiano material and finalisation of the European Sculpture publication.

The Learning Supporters Fund represents donations in support of learning projects, both for specified purchases and general funding of learning programmes, and funding for subsidised travel for school trips to Royal Collection Trust sites. Additional funding the year was targeted to schools using sustainable travel.

The Conservation fund income during the year is a donation towards an internship in the conservation and curatorial section and funding specifically for conservation of a Rockingham porcelain dessert service. Expenditure during the year relates to an intern post.

Other restricted funds include funding towards digitisation of images and records of specific items within the Royal Collection.

Exhibitions

These restricted funds were given to support capital works to the Galleries and are amortised over the economic life of capital assets at The King's Gallery in London and The King's Gallery, Edinburgh.

19 Income Funds *(continued)*

Assets representing funds:

Group	Restricted funds	Designated funds	Pension reserve	General funds	Total 2026
	£000	£000	£000	£000	£000
Intangible fixed assets	-	-	-	3,349	**3,349**
Tangible fixed assets	238	-	-	39,605	**39,843**
Current assets	546	3,020	-	25,722	**29,288**
Creditors due in < 1 year	-	(2,985)	-	(11,303)	**(14,288)**
Pension asset	-	-	4,100	-	**4,100**
At 31 March 2026	**784**	**35**	**4,100**	**57,373**	**62,292**

Group	Restricted funds	Designated funds	Pension reserve	General funds	Total 2025
	£000	£000	£000	£000	£000
Intangible fixed assets	-	-	-	3,557	**3,557**
Tangible fixed assets	251	-	-	39,726	**39,977**
Current assets	232	3,020	-	17,044	**20,296**
Creditors due in < 1 year	-	-	-	(8,960)	**(8,960)**
Pension asset	-	-	3,800	-	**3,800**
At 31 March 2025	**483**	**3,020**	**3,800**	**51,367**	**58,670**

Trust	Restricted funds	Designated funds	Pension reserve	General funds	Total 2026
	£000	£000	£000	£000	£000
Intangible fixed assets	-	-	-	3,340	**3,340**
Tangible fixed assets	238	-	-	39,212	**39,450**
Current assets	546	3,020	-	18,316	**21,882**
Creditors due in < 1 year	-	(2,985)	-	(3,847)	**(6,832)**
Pension asset	-	-	4,100	-	**4,100**
At 31 March 2026	**784**	**35**	**4,100**	**57,021**	**61,940**

Trust	Restricted funds	Designated funds	Pension reserve	General funds	Total 2025
	£000	£000	£000	£000	£000
Intangible fixed assets	-	-	-	3,537	**3,537**
Tangible fixed assets	251	-	-	39,300	**39,551**
Current assets	232	3,020	-	10,350	**13,602**
Creditors due in < 1 year	-	-	-	(2,207)	**(2,207)**
Pension asset	-	-	3,800	-	**3,800**
At 31 March 2025	**483**	**3,020**	**3,800**	**50,980**	**58,283**

20 Commitments

Capital commitments at 31 March 2026 for which no provision has been made were as follows:

	Group	Group	**Trust**	Trust
	2026	2025	**2026**	2025
	£000	£000	**£000**	£000
Contracted	**583**	-	**564**	-
Authorised but not contracted	**18,682**	2,600	**18,153**	2,416
	19,265	2,600	**18,717**	2,416

Contracted works relate to primarily to refurbishment of art storage facilities. Authorised but not contracted reflects approved capital budgets including construction of a new art store and smaller items relating to visitor experience, retail, exhibitions and conservation.

Operating Lease Commitments

Total of future minimum lease payments at the end of the reporting period, for each of the following periods:

	Group	Group	**Trust**	Trust
	2026	2025	**2026**	2025
	£000	£000	**£000**	£000
- within one year	**676**	648	**108**	98
- in the second to fifth year	**1,454**	1,576	**10**	7
- later than five years	**977**	1,319	**-**	-
	3,107	3,543	**118**	105

During 2023/24 Royal Collection Enterprises Limited entered into a lease for a new retail warehouse. The lease is for a minimum 10 year period ending in 2034 and this commitment in reflected in the note above. The lease has been assessed as an operating lease and rentals are charged to income and expenditure on a straight line based over the life of the lease.

From April 2026, the Trust and Group will adopt the updated requirements of FRS 102 and it is anticipated that all leases reflected above will be reclassified as right of use assets with associated lease liabilities. Based on an initial assessment of the leased asset portfolio, the Group would have recognised assets and lease liabilities of approximately £3.5 million at 31 March 2026, of which around £0.5 million is attributable to The Trust. The net impact on profit would not be material.

21 Pension schemes

The group participates in three pension schemes as follows:

Scheme 1 The Royal Households Group Pension Scheme
Scheme 2 The Royal Household Pension Scheme
Scheme 3 The Royal Household Worksave (Mastertrust) Pension Scheme

21 Pension schemes *(continued)*

Schemes 1 and 2 are closed to new members. Employees are entitled to be members of the Royal Household Worksave (Mastertrust) Pension Scheme. Details of the schemes are set out below.

Scheme 1 provides benefits based on final pensionable pay and is non-contributory for employees. The contributions for this scheme are determined by a qualified actuary, on the basis of triennial valuations. The most recent approved valuation of the scheme was carried out as at 31 December 2023.

It is the stated policy of the Trustees that the Charity's share of the assets and liabilities of Scheme 1 are to be recognised in the financial statements of The Royal Collection Trust.

Scheme 2 is managed by the Government and has terms by-analogy to the Principal Civil Service Pension Scheme. Eligible employees are those who were previously paid from the Civil List and are now paid by The Royal Collection Trust and who joined the Royal Household prior to 1 April 2001.

The scheme is an unfunded multi-employer defined benefit scheme in which Royal Collection Trust is unable to identify the share of the underlying assets and liabilities attributable to its employees and as permitted by FRS 102 this scheme will continue to be accounted for as if it were a defined contribution scheme.

The scheme actuary (Government Actuary's Department) valued the scheme as at 31 March 2019 and updates that valuation for International Accounting Standard 19: Employee Benefits (IAS19) annually. The total liabilities of the scheme at 31 March 2025 were £74.6 million (2024: £77.6 million). The liabilities at 31 March 2026 are not yet available but will be disclosed in the Consolidated Fund Account when it is published. Royal Collection Trust funds all or part of the employment costs of 6 of the 19 active members of the scheme as at 31 March 2026 (2025: 7 of 23 active members).

Pension contributions are paid directly to the Consolidated Fund and, in turn, pension benefits are paid directly from the Consolidated Fund as a Standing Service on a defined benefit basis. The contribution rate during the year was 21.1% of pensionable pay, reflecting a valuation by the Government Actuary's Department. The contribution rates reflect the cost of pension benefits as they are earned by employees.

Scheme 3 is administered by Legal and General and is non-contributory for employees. Benefits are based on contribution levels linked to investment returns over the period to retirement. A stakeholder plan was provided until July 2020, when it was replaced with the Royal Household Worksave (Mastertrust) Scheme. Employees can make additional contributions up to the HM Revenue & Customs' limits.

The total pension charge for the year was £3,383,000 (2024/25: £3,049,000).

Royal Collection Trust accounts for pension costs in accordance with FRS 102 which requires the following disclosures in respect of Royal Collection Trust's pension schemes:

Pension schemes *(continued)*

Scheme 1 – further details

Royal Collection Trust participates in a funded defined benefit pension plan, the Royal Households Group Pension Scheme – Royal Collection ('the Scheme').

The level of benefits provided by the Scheme depends on a member's length of service and their salary at their date of leaving the Scheme. Under the plan, employees are entitled to annual pensions on retirement at age 60 of 1/60 of final pensionable salary for each year of service up to 31 March 2007, then 1/70 for service up to 31 March 2019, then 1/90 for service from 1 April 2019. The scheme closed to future accrual with effect from 1 April 2021, however former active members still retain their link to salary increases. From 1 April 2021 members are enrolled in the Royal Household Defined Contribution Worksave (Mastertrust) Pension Scheme, unless they choose to opt out.

The last funding valuation of the Scheme was carried out by a qualified actuary as at 31 December 2023 and no regular contributions are due to be paid by Royal Collection Trust to the Scheme during the year to 31 March 2026 (year to 31 March 2025: £nil), other than administration expenses.

The results of the latest funding valuation at 31 December 2023 have been adjusted to the balance sheet date taking account of experience over the period since that date, changes in market conditions and differences in the financial and demographic assumptions and an allowance has been made for additional benefits due to GMP equalisation. The present value of the defined benefit obligation was measured using the Projected Unit Credit Method.

The principal assumptions used to calculate the liabilities under FRS 102 are as follows:

Financial assumptions

	31 March 2026 **% per annum**	31 March 2025 % per annum
RPI inflation	**3.30**	3.05
CPI inflation	**2.70**	2.45
Rate of general long term increase in salaries	**3.95**	3.95
Pension increase (LRP15)	**3.10**	2.90
Discount rate for scheme liabilities	**6.15**	5.75

Demographic assumptions

	31 March 2026 **Years**	31 March 2025 Years
Life expectancy for male currently aged 65	**21.8**	21.3
Life expectancy for a female currently aged 65	**23.7**	23.4
Life expectancy at 65 for male currently aged 45	**23.0**	22.6
Life expectancy at 65 for a female currently aged 45	**25.1**	24.9
Cash commutation	Members assumed to take their cash lump sum at retirement	

The mortality assumptions are based on the results of the most recent Scheme funding valuation and allow for expected future improvements in mortality rates.

21 Pension schemes *(continued)*

Scheme assets

	31 March 2026		31 March 2025	
	£m	**%**	£m	%
Equities	**-**	**-**	7.9	36
Fixed interest gilts	**6.3**	**28**	3.7	17
Index-linked gilts	**11.3**	**51**	6.7	31
Property	**1.2**	**6**	1.2	5
Cash	**1.1**	**5**	2.4	11
Multi-asset/Diversified Growth fund	**2.3**	**10**	-	
	22.2	**100**	21.9	100

None of the Scheme assets are invested in the Trust's financial instruments or in property occupied by, or other assets used by, the Group. The assets of the Scheme are not segregated by employer and hence the split of the assets is determined in an approximate basis, by an independent actuary. In order to determine this approximate split, each quarter's asset split is rolled-forward allowing for those contributions and benefit payments linked to Royal Collection Trust.

Reconciliation of funded status to balance sheet

	31 March 2026	31 March 2025
	£m	£m
Fair value of assets	**22.2**	21.9
Present value of funded defined benefit obligations	**(18.1)**	(18.1)
Funded status	**4.1**	3.8
Unrecognised asset	**-**	-
Asset recognised on the balance sheet	**4.1**	3.8

When determining the asset recognised on the balance sheet, it has been assumed that The Royal Collection Trust would be able to recover the surplus through a refund from the Scheme in the future. This reflects the provisions of the Scheme's documentation.

Amounts recognised in net income

	31 March 2026	31 March 2025
	£m	£m
Interest income on net defined benefit assets	**1.2**	1.1
Interest charge on defined benefit liabilities	**(1.0)**	(1.0)
Net credit included in 'investment income'	**0.2**	0.1
Administration costs recognised in net income	**(0.1)**	(0.1)
Net charge to net income	**0.1**	0.0

21 Pension schemes *(continued)*

Other recognised gains and losses

	31 March 2026	31 March 2025
	£m	£m
Losses on scheme assets during the year	**(0.2)**	(1.5)
Gains on scheme liabilities during the year	**0.3**	2.8
Total other recognised gain	**0.1**	1.3)

Changes to the valuation of the defined benefit obligation during the year

	31 March 2026	31 March 2025
	£m	£m
Obligation at the start of the year	**18.1**	20.6
Interest cost on defined benefit obligations	**1.0**	1.0
Actuarial gains on scheme liabilities	**(0.3)**	(2.8)
Administration expense	**0.1**	0.1
Net benefits paid out	**(0.8)**	(0.8)
Obligation at the end of the year	**18.1**	18.1

The Trustees of the Royal Households Group Pension scheme are assessing the consequences of Virgin Media Ltd vs NTL Pension Trustees court case. No adjustment has been made to the defined benefit obligation in response to this case as at 31 March 2026. This approach will be kept under review.

Changes to the fair value of scheme assets during the year

	31 March 2026	31 March 2025
	£m	£m
Fair value at the start of the year	**21.9**	23.0
Interest income on scheme assets	**1.2**	1.1
Losses on scheme assets	**(0.2)**	(1.5)
Contributions by the employer	**0.1**	0.1
Net benefits paid out	**(0.8)**	(0.8)
Fair value at the end of the year	**22.2**	21.9

21 Pension schemes *(continued)*

Estimated charge to net income for the next year

Using the assumption for the discount rate set out above, we estimate that the charge to the profit and loss account for the next financial year will be:

	£m
Administration cost	(0.1)
Net interest income	0.2
Net credit to net income	0.1

The actual amount to be charged to the profit and loss account for the next financial year might be different to that estimated above.

Sensitivity of the results to the key assumptions

The key assumptions used for FRS 102 are: discount rate, inflation and mortality. If different assumptions were used, this could have a material effect on the results disclosed. The sensitivity of the results to these assumptions is as follows.

		Plan assets	Obligation	Surplus/(deficit)
Following a 0.5% decrease in the discount rate	Change	0.0	1.1	(1.1)
	New value	22.2	19.2	3.0
Following a 0.5% increase in the inflation assumption (excluding salary increases)	Change	0.0	0.7	(0.7)
	New value	22.2	18.8	3.4
Following a 1-year increase in life expectancies	Change	0.0	0.7	(0.7)
	New value	22.2	18.8	3.4

The sensitivities to changes in assumptions have been expressed based on the expected impact that changes to assumptions would have on the defined benefit obligation based on the profile of the liabilities as at the last triennial valuation (31 December 2023) and are not sensitive to the Defined Benefit Obligation (DBO) quoted in the accounting results to changes in assumptions used to value the DBO as at 31 March 2026.

Scheme 2 – further details

Scheme 2 is a multi-employer scheme. Royal Collection Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and as permitted by FRS 102 the scheme has been accounted for by Royal Collection Trust as if the scheme was a defined contribution scheme.

22 Related Party Transactions

Set out below are details of transactions during the year with related parties and with other entities which, whilst not related parties, it is deemed appropriate to disclose. The figures in italics represent the amounts due (to) or from related parties at the balance sheet date.

Related Party	**2026 £000**	**2025 £000**	**Details of Transaction**
Royal Household	**17,681** ***(1,672)***	17,739 *(1,878)*	Charges to Royal Collection Trust (RCT) for various services including personnel, payroll, pensions administration, internal audit, records management, property maintenance services and IT services.
Royal Household	**102** ***8***	71 -	Recovery from the Royal Household of costs incurred on behalf of the Royal Household.
Privy Purse Charitable Trust (PPCT)	**766** ***84***	797 -	Donation to the PPCT in lieu of its right to charge for admission to Queen Mary's Dolls' House, (Windsor Castle) & contribution for publications relating to the Doll's House. The balance due represents an overpayment in year to be recovered by reduced payments during 2026/27.
St George's Chapel	**2,053** **22**	2,135 11	Payment to St George's Chapel in respect of admissions to St George's Chapel, Windsor Castle collected by Royal Collection Enterprises Limited (RCEL).
Privy Purse	**18** ***5***	4 -	Recharge of costs incurred by RCT on behalf of the Privy Purse.
Historic Royal Palaces (HRP)	**19** **-**	49 -	Recovery of costs from HRP for maintenance, services and goods for resale purchased from RCEL.
Balmoral Estate	***28*** **-**	11 -	Purchase by Balmoral Estate of RCEL goods for resale. recharge of costs incurred by RCT on behalf of Balmoral
Sandringham Estate	***30*** **-**	12 1	Purchase by Sandringham Estate of RCEL goods for resale, recharge of costs incurred by RCT on behalf of Sandringham
Sandringham Estate	**27** **-**	15 -	Payment by RCT to Sandringham for use of storage space
Annabel Elliot Limited	**9** ***(2)***	-	Payment for design services and cost of associated travel
Royal Household Staff Wellbeing Fund	**17** ***(7)***	18 *(9)*	Contribution to the Fund for the benefit of employees of The Royal Household including Royal Collection Trust.
Royal Households Group Pension Scheme	**95** ***(16)***	*126* *(26)*	Administration costs for the defined benefit pension scheme.

Transactions are settled in cash. Transactions with key management personnel are disclosed in Note 8. None of the Trustees, directors or other related parties except as referred to above or as otherwise disclosed in the financial statements has undertaken any transactions with The Royal Collection Trust or Royal Collection Enterprises Limited during the year. The Company is exempt from the requirement to disclose the details of related party transactions with its subsidiary undertaking.

23 Royal Collection Enterprises Limited

The Trust's wholly-owned subsidiary, Royal Collection Enterprises Limited (company number 2778486), has a paid-up share capital of £2, and is incorporated in the UK. Audited accounts are filed with the Registrar of Companies and a summary of its trading results is shown below.

Principal activities

The principal activities of the company are the management of public access to the official residences of The King and the sale of merchandise. Taxable profits are Gift Aided in full under deed of covenant to the holding company, The Royal Collection Trust, a company limited by guarantee and registered as a charity.

Business review

The purpose of the company is to generate income for The Royal Collection Trust for the presentation, maintenance and conservation of the Royal Collection.

Income is raised from fees for the management of public access and shop sales at the official residences of The King.

In addition to the above, income is raised through off-site retail activities, catering operations at the Palace of Holyroodhouse, Windsor Castle and Buckingham Palace Summer Opening, and fees for reproducing images of items in the Royal Collection.

The Royal Collection Trust has responsibility for admitting visitors to the official residences of The King and the company acts as an agent of The Trust in managing the admission of visitors to the official residences.

23 Royal Collection Enterprises Limited *(continued)*

Profit and Loss Account
for the year ended 31 March 2026

	2026	2025
	£000	£000
Turnover	**72,122**	68,822
Direct costs, including cost of sales	**(59,459)**	(57,826)
Gross profit	**12,663**	10,996
Administrative expenses	**(4,394)**	(3,710)
Donations payable	**(764)**	(797)
Other operating income	**125**	139
Operating profit	**7,630**	6,628
Interest receivable	**1,132**	403
Profit for the financial year	**8,762**	7,031

Balance Sheet
as at 31 March 2026

	2026	2025
	£000	£000
Fixed and current assets	**29,113**	19,966
Current and non-current liabilities	**(28,761)**	(19,579)
Net assets and shareholder's funds	**352**	387
Reserves		
At the beginning of the year	**387**	479
Profit for the year	**8,762**	7,031
Deed of covenant due to The Royal Collection Trust	**(8,797)**	(7,123)
Retained loss for the year	**(35)**	(92)
At the end of the financial year	**352**	387