

Company Registration No. 04962619 (England and Wales)
Charity No. 1102661

The Tank Museum Limited

**Trustees' report and financial statements
for the year ended 31 December 2021**

The Tank Museum Limited
(A company limited by guarantee)

Legal and administrative information
For the year ended 31 December 2021

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The Tank Museum Limited
(A company limited by guarantee)

Legal and administrative information
For the year ended 31 December 2021

Trustees	Lt Gen Sir Andrew Ridgway, KBE CB DL Mr William Bannister Mr Steve Rowbotham Mr David Webb Mr William Suttie Ms Kate Adie, OBE DL Mr Anthony Woodhouse Mr Alexander Walters Mr Oliver Barnham Col Crispin Lockhart MBE ADC Brig Jonathan Swift OBE Col Jason Williams Mrs Yun Sun Choi (appointed 4.3.2021) Ms Andrea Bishop (appointed 4.3.2021)		
Secretary	Paul Dolan		
Company registered number	04962619		
Charity Commission registration number	1102661		
Registered office	Bovington Camp Wareham Dorset BH20 6JG		
Museum Director	Richard Smith OBE		
Auditors	Saffery Champness LLP Chartered Accountants Midland House 2 Poole Road Bournemouth BH2 5QY		
Investment advisers	Investec Wealth and Investment 30 Gresham Street London EC2V 7QN	Bankers	Handelsbanken 10 Parkstone Road Poole Dorset BH15 2PQ Barclays Tagus House Southampton Hampshire SO14 2ZP

Trustees' Report
For the year ended 31 December 2021

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited consolidated financial statements of The Tank Museum Limited and its trading subsidiary, the Tank Museum Trading Company Limited for the year ended 31 December 2021. The trustees confirm that the Annual Report and financial statements of the charity and the group comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Group Strategic Report

Policies and objectives

Purposes and aims: The charity's purposes are set out in the objects contained in the company's Memorandum of Association:

- To educate the public in the history of armoured warfare;
- To hold together the traditions of the Royal Armoured Corps and the Royal Tank Regiment and to perpetuate their deeds by the provision and maintenance of a museum;
- To preserve, for the benefit of the public, vehicles, documents and other exhibits and artefacts which are of historical importance in the study of armoured warfare.

We summarise our purpose with the phrase 'we tell the story of tanks and the people who serve with them'. The vision of The Tank Museum is to be the world's leader in the heritage of armoured warfare. Our mission is to conserve, develop and interpret the national collection of tanks and armoured fighting vehicles to educate and inspire people with the story of tanks and the people who serve with them; past, present and future.

Activities for achieving objectives

- Collecting- We hold the world's most important collection of armoured fighting vehicles and associated objects. We continue to enhance our collection to maintain this position;
- Conservation- We conserve our collections to ensure their availability for future generations;
- Communication- We use our collections to tell the story of tanks and the people who serve with them. We tell these stories at the Museum to the Army, the general public and to a global online audience.

In delivering our activities we seek to:

- Have a sound financial base and business culture to ensure the museum is sustainable and thrives;
- Control risk to ensure the longevity of the organisation;
- Maximise access, intellectual and physical, for all;
- Interpret the story of armoured warfare to meet audience needs in an enjoyable and engaging way;
- Be a leading authority on the history of armoured warfare;
- Consult and encourage involvement of the wider community in the life of the museum;
- Provide a safe and secure working environment and to promote the professional development of staff and volunteers

Ensuring our work delivers our aims

Every twelve months, the board of trustees reviews our aims, objectives and activities in a forward plan. This plan looks in detail at the year ahead and in summary to a minimum of five years ahead. Progress against this plan is assessed every quarter during the Board meetings. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives that they have set.

How our activities deliver public benefit

Our activities focus on engaging with the general public to educate them in the history of armoured warfare, in particular to try to ensure that the achievements of the Royal Armoured Corps and the Royal Tank Regiment are preserved for posterity. To do this, we hold and interpret the national collection of armoured vehicles.

Achievements and performance

Who used and benefited from our services?

Between January and December 2021, 149,244 people visited the Museum (2020: 103,852). While the visitor numbers in 2021 were much stronger than the previous year, the national lockdowns meant that the Museum was closed from the beginning of January until mid-May, and our total visitor number was well down on the 2019 figure of 221,241. Despite the closures and the continuing unpredictability of the regulatory environment, visitor numbers after the reopening of the Museum in May 2021 were in line with those of 2019, with the strong downward impact of the pandemic being largely cancelled out by an increase in domestic tourism caused by disruption to international travel.

The admissions policy allows for serving members of the armed forces and for members of the regimental associations of the Royal Armoured Corps to enter the Museum free of charge. We also encourage families of MoD staff in Bovington to use the Museum at no charge. Despite the pandemic 3,887 (2020: 3,672) people took advantage of this service.

While everyone has access to the Museum, there is a charge for entry which extends to an annual membership. During winter months, up to 15% of our audience comes from people taking advantage of the unlimited return visits from their annual membership.

Review of activities

The first half of the year was wholly dominated by the pandemic which closed the Museum for nearly five months. The Museum closed in line with Government advice but reopened at the first opportunity and welcomed visitors for the rest of the year without interruption. Operations while the Museum was opened were restricted by the need to maintain a safe environment for staff and visitors, meaning that site capacity was limited to below normal levels, which reduced visitor numbers on peak days. The Museum received significant support through the Employee Retention Scheme and the Cultural Recovery Fund.

Online Growth

The most significant development since the beginning of the pandemic has been the rapid expansion of the Museum's digital activity. The Museum began the pandemic as a world leader in building online audiences

through social media. The online audience has continued to grow, and the expansion of the online shop has led to a significant income stream in its own right. Driven by audience growth on our YouTube channel, the online shop continued the rapid growth that began in 2020 and finished the year with sales of £1,028k (2020 £711k). The fact that sales remained strong in the reopening of the economy in the second half the year suggests that this is likely to be an income stream which is sustained after the pandemic is over.

The online activity was our main way of delivering our objects during the first half of the year and continued to be a central way in which we took our subject to large audiences throughout the whole of 2021. In 2021 our YouTube audience consumed 4.5 million hours of Tank Museum video content, an increase from 2.7m hours in 2020. The average monthly online audience during 2021 was 640,000 individuals, which is far in excess of anything that has been achieved on the site in the past. Our YouTube channel is particularly effective at reaching young men aged between 18 and 35 – a notoriously challenging demographic to reach for the heritage community. As well as being a way of directly delivering our objects, our online activities broaden awareness of the Museum and its work, encouraging visitors and building a long-term support base.

Collections and Collections Management

The normal programme of collection management was suspended through most of 2021 due to the pandemic. Workshop and Archive team members sought to keep up to date with the flow of new material into the collection, but for much of the year were either on furlough or assisting customer facing teams in an operation which was more labour-intensive to deliver due to the need for increased stewarding on gallery.

The Tank Museum's reputation for excellence means that we are used as a point of reference both by our international opposite numbers and by museums across the UK. Tank Museum staff provided advice to over one hundred museums or other collections, with much of the emphasis in 2021 being placed on sharing how we achieved our success in our online activities.

Telling our stories and Educating the Public

Despite the pandemic, the Museum has continued to invest in the visitor experience and bringing our collections to life through new exhibitions. The main work in 2021 was to complete the second stage of our new Second World War exhibition which focusses on the experience of individual British soldiers in battle during the conflict. This work was completed during the lockdown to ensure that the visitor experience was at its best for reopening.

The Museum sees live displays of moving vehicles as a key part of its activity, both in preserving skills, sounds and the wider cultural biography of the collections and as a way of bringing them to life for the public. The Museum is a leader in managing the complex balance of operation against conservation, working in partnership with a number of universities in understanding the ethical and physical challenges involved. Opportunities for live display were heavily curtailed in 2021 due to Covid, but we were still able to hold one Tiger Day as well as delivering our first hybrid Tankfest event. The hybrid Tankfest included approximately 15,000 onsite visitors and a parallel online event which used live and recorded footage from the site combined with a set of material from partner tank museums in France, Jordan, USA, Sweden and Austria. The event was in the top five such livestreams in the world on Twitch that day, enabled by our longstanding partner Wargaming.net.

Our success in engaging our audience is demonstrated by the reach we extend and the range of people who visit us. As well as drawing an unusually large proportion of our visitors from C2, D and E social groupings, our research from the 80% of visitors who filled in their gift aid forms showed the average drive time from their homes was over two hours, vital in order to overcome the challenges we face from our location in rural Dorset.

Our volunteers continue to provide invaluable support to the Museum. 93 people devoted 5,925 (2020: 4946 2019: 25,486) hours of their time during the course of 2021. Although the hours contributed by our Volunteers remain severely impacted by Covid-19 restrictions, the commitment and enthusiasm of our volunteers is greatly appreciated by the Board of Trustees.

The Museum continues to extend its formal education programmes and has obtained the "Artsmark" accreditation as a leading cultural institution engaged in working with schools. In 2021, 4,116 school children and accompanying adults visited the Museum as part of formal education programmes. This was an increase from 1,778 the previous year, but still considerably lower than the 9,154 who visited pre-pandemic.

The Museum has developed partnerships with universities to deepen our understanding of our collections. We continue to work with Bournemouth University, University College London and Cardiff University on issues of collection care and are collaborating with the Arts University Bournemouth to improve the way we project our collections.

Commercial operations

When open to the public the Museum continues to be successful in generating funds. The philosophy of The Tank Museum is that the Museum's ability to generate income dictates the level of ambition that it can hold in regard to the delivery of its charitable objects. The operations team continue to work hard to generate funds which are used to the benefit of our visitor experience and the continued preservation of the collection. Most of the Museum's trading activities are consolidated into The Tank Museum Trading Company Limited.

The Museum trading activities were impacted by reduced visitors but with the growth in the online shop this helped to generate a gross profit before administration expenses of £1,302,822 (2020: 791,493). Activities in this area continue to be our shop both online and onsite, restaurant and extensive corporate offering.

Our ability to generate income through our online activities was transformed during the course of the pandemic. The Museum was able to use its substantial online presence to generate a nine-fold increase in online shop sales as well as attracting significant incomes through Patreon and AdSense. Gross profits from online activities contributed to our finances, providing critical resilience during a period where normal revenue generation was severely curtailed.

The Tank Museum Trading Company

This is the Museum's trading company whose accounts and gift aided donation of £169,492 (2020: £414,200) to the Museum are incorporated into the consolidated accounts.

Investment policy and performance

The investment policy of the Museum is to protect the capital invested and we have adopted a range of risk for our investments depending on the purpose of the funds.

The Museum's investment portfolio is managed by Investec with full discretionary powers. They manage three funds. The Resource Fund holds funds which are allocated to capital projects in the short term. The 2054 Fund is a designated fund which seeks to cover long term fixed costs and the HLF Catalyst Designated Fund seeks to support the ongoing exhibition development of the Museum.

Our investments performed well in 2021, with a recorded gain of £653,910, (2020: Gain of £225,079). All funds exceeded the set benchmarks for the financial year, and trustees remain content that the strategy applied for the funds is the correct one in terms of risk profile and required expected returns.

Remuneration and key management personnel

The trustees consider the board of trustees, the Museum Director, the Company Secretary (who is also the Head of Finance), the Head of Collections, the Curator, the Head of Marketing and Engagement, the Head of Commercial Operations and the HR Business Partner to comprise the key management personnel of the charity. All members of the board of trustees give their time voluntarily and receive no financial benefits from the charity. The remuneration of key management personnel other than the trustees is set out in note 10 to the financial statements.

Financial review

Due to the continued impact of the Coronavirus (COVID-19), declared by the World Health Organisation as a "global pandemic", the Museum experienced a further enforced closure between 31 December 2020 to 16 May 2021. This closure, after the closures in 2020, has had a continued impact on our normal expected visitors, down 50k on 2019 (26%), our last full complete year of being open to the public.

Our charitable and trading activities have been impacted by these further enforced closures, but this has been offset by grants from the DCMS Cultural Recovery Fund, the Coronavirus Job Retention Scheme, the Arts Council National Portfolio Funding and The Heritage Emergency Fund.

We have maintained our unrestricted fund generation for the year by the continued flexibility of our workforce in continuing to agree to reduced working patterns, together with the ongoing strong performance from our online shop sales, and continued cost savings on our overheads.

This shorter closure period when compared to the ones suffered in 2020 has contributed to our unrestricted funds before investment gains increasing by £1,124,144 (2020: £454,792).

Total funds generated in 2021 were £1,754,832 (2020 £845,115) which include investment gains of £653,910 (2020 £225,079).

The Ministry of Defence continues to fund the running costs of The Tank Museum's buildings in line with ECAB policy. The board is extremely grateful to the MoD both for their financial support and ongoing technical assistance on all operational matters. The support from the MoD takes the form of paying for services to support the upkeep and operations of buildings, and a number of non-cash items such as depreciation and cost of capital. By combining the MoD's buying power on services and utilities with the private sector management of the operation, The Tank Museum provides an excellent model for public/ private sector partnership. This income and expenditure is recognised in the Statement of Financial Activities.

The Museum's liquidity position continues to remain strong, with funds invested in a combination of cash, low risk corporate bonds and equities which have exceeded the benchmarked performance criteria. These investments are currently valued at £7,233,730 (2020: £5,777,950). The intention of these investments is to use the funds towards costs related to major exhibitions planned for 2022 and beyond, site improvements and the Museum's ongoing resilience.

The Museum also has cash totalling £2,349,283 (2020: £1,646,918), which is used to finance the day to day running, and the current building projects of the museum and working capital.

Reserves policy

The trustees continue to monitor the reserves of the Museum closely and any funds given for specific projects are held as restricted funds which total £12,794,214 (2020: £12,649,727) including endowment funds of £1,475,617 (2019: £1,298,701).

Unrestricted funds are expendable at the discretion of the trustees in the furtherance of the Museum's objectives in a way that provides inclusive benefit for all. With the lessons of the pandemic, Trustees have evolved the reserves policy to be more flexible to take account of known risks at the time. The reserve policy is to maintain a minimum of 8 weeks operating turnover (approx. £700k), a figure based on being unable to operate the Museum during the peak months due to unforeseen circumstances. The lesson from the pandemic are that there are circumstances that may lead to longer periods of closure, of several months. A six month closure would require funds of up to £2.1m. The policy will vary annually according to the level of risk identified. The Trustees feel that with the continued uncertainty of the risk of Covid-19 a reserve level for 2022 has been set at a mid-risk position of £1.4m.

Free reserves are calculated as total unrestricted funds of £14,927,280 (2020: £13,316,935) after deducting designated reserves of £10,496,528 (2020: £8,974,770) and functional assets of the charity which represent a commitment of £2,173,319 (2020: £2,254,493) resulting in a balance of £2,257,433 (2020: £2,087,672). In the current circumstances with the ongoing risk of Covid-19 it is considered prudent to be retaining free reserves at this level.

Plans for the future

The Tank Museum seeks to continuously improve its visitor experience and its collection management in order to further our charitable objects. The Trustees agree annually a rolling five-year strategic plan to give direction to the charity. The summary of the plan is:

1) We will improve collection care

Following the completion of our redevelopment programme in 2018, we now have the facilities to ensure we have a collection that is fit for display for future generations. The organisation will now deliver a long-term programme of display, conservation and restoration. The aim of this work is both to ensure the preservation of our collection and to enable it to be interpreted by an ongoing programme of live vehicle displays, based around a plan to operate a representative selection of vehicles for the Second World War Centenaries from 2039-45.

2) We will develop our collections

The Museum has been successful in building its collection over recent years, with significant long-term loans and acquisitions. We maintain a list of vehicles for both active and passive collecting as well as a programme of collecting supporting artefacts and documents.

3) We will continue to develop our visitor experience and exhibitions

Delivering a high-quality visitor experience is both the ends and the means of achieving our charitable objects. The quality of a visitor's experience is a key measure of our success in educating the public and also the main driver of encouraging repeat visits and advocating visits by others. Through subscribing to a range of visitor experience benchmarking services the Museum is now able to measure and manage the visitor experience more closely.

We will deliver a series of thematic displays in the existing buildings to bring to life a variety of aspects of the people and vehicles involved in armoured warfare. The next major programme is to redisplay the British Steel Hall with a new display about tanks and their role in popular culture over the last 100 years. The display strategy is to have regular cycle of substantial upgrades to the visitor experience, each of which would be expected to have a lifespan of 5-10 years and that can be funded primarily from ongoing revenues.

4) We will develop our online experience to engage more people and improve sustainability

The Museum is a leader in the use of social media in this field, with an audience greater than that which can physically come to the site. We will continue to invest in building this audience and will work to generate income from our on-line activities which will enable us to reach this audience sustainably into the future.

5) We will work closely with major stakeholders

In 2018 we became an Arts Council National Portfolio Organisation. We will develop this relationship to become a leading Arts and Heritage Organisation in the UK, building on our successful work with the National Lottery Heritage Fund over 15 years. We will maintain our close ties with the Army, who provide the key services to support our site. We will continue to work closely with our partners at Wargaming.net who help take us to a global audience through their video game "World of Tanks". In addition we will maintain and build on our relationship with donors and supporters who enable us to achieve our charitable objects.

6) We will improve our sustainability

We will continue to seek to develop our ability to generate income in order to support the delivery of our charitable objects both in the near and long term. This involves maximising our on-site income through the Museum and its associated functions, developing online revenue streams and building a long-term designated fund to support our work.

Employee involvement and employment of the disabled

The charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities Policy
- Volunteers' Policy
- Health & Safety Policy

Health & Safety Policy

In accordance with the charity's Equal Opportunities Policy, the charity has long established fair employment practices in the recruitment, selection, retention and training of disabled staff. Full details of these policies are available from the charity's offices.

Structure, governance and management

Constitution

The charity was incorporated on 13 November 2003. Previously it existed as an unincorporated association set up by a Declaration of Trust dated 28 July 1977 derived from the Royal Armoured Corps and The Royal Tank

Regiment. The registered charity number is 01102661. As of 1 April 2005, the charity commenced trading as a charitable company limited by guarantee registered company number 04962619.

Method of appointment or election of trustees

The board of trustees is shown on page 1. The composition and size of the board is reviewed regularly to assess the skills requirement of the board for it to meet the needs of the museum. The board is responsible for appointing trustees who are recruited from as broad a base as possible by personal contact, and usually serve for three years with a maximum of nine years.

Normally the full board meets four times a year to provide strategic leadership, set the budget and monitor accounts. An Executive Committee meets for a further four meetings to review the business of the museum, the development strategy and plans. In addition, a collections committee meets quarterly to review and assess collections policy.

Policies adopted for the induction and training of trustees

All new trustees are required to undertake an induction programme to give them a structured introduction to the operation of the museum and to give them an opportunity to meet key members of staff.

Organisational structure and decision making

The trustees decide the long-term strategy for the Museum; they set budgets, review quarterly performance of the charity and instigate change.

The Director manages the day-to-day operations. The Director is assisted by the senior management team, the functional areas being: curatorial, finance, human resources, collections, operations and marketing.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The executive committee of trustees has conducted its own review of the major risks to which the charity is exposed, and systems have been established to mitigate these risks. No specific external risks have been identified. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure they still meet the needs of the charity. The trustees review all these policies annually, as they do the risk register and policies intended to mitigate risk to the Museum.

Fundraising

All fundraising efforts of the Museum are led by the director and the senior management team and are carried out in line with the Code of Fundraising Practice. Approaches to the public are made only on the site or online to people who have actively chosen to engage with the Museum. The board of trustees are updated on activities quarterly. The Museum is a subscriber to the Fundraising Regulator. No complaints were received during 2021.

Trustees' responsibilities statement

The trustees (who are also directors of The Tank Museum Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

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

Disclosure of information to auditor

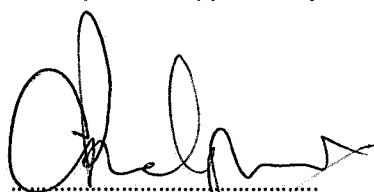
Each of the persons who are trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

Auditor

Saffery Champness LLP were re-appointed as auditor to the charity and in accordance with Section 485 of the Companies Act 2006, the trustees will propose a motion re-appointing the auditors at a meeting of the trustees.

This report was approved by the trustees on 19 May 2022 and signed on their behalf by:



Lieutenant General Sir Andrew Ridgway KBE CB DL



Opinion

We have audited the financial statements of The Tank Museum Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2021 which comprise a Consolidated Statement of Financial Activities, the Consolidated Balance sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Auditor's Report
For the year ended 31 December 2021

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 10, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further, the group and parent charitable company are subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements; through a significant fine, litigation or restrictions on the group's operations. We identified the most significant of such laws and regulations to be those relating to The Health and Safety Executive, particularly in relation to health and safety measures in response to Covid-19.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

Auditor's Report
For the year ended 31 December 2021

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Nicholas Fernyhough (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

	Midland House
	2 Poole Road
	Bournemouth
	Dorset
Chartered Accountants	BH2 5QY

Statutory Auditors

Date: 15 June 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Tank Museum Limited
(A company limited by guarantee)

Consolidated Statement of Financial Activities (including Income and Expenditure account)
For the year ended 31 December 2021

		Restricted Funds 2021 £	Endowment Funds 2021 £	Unrestricted Funds 2021 £	Total funds 2021 £	Total funds 2020 £
	Note					
Income from:						
Donations, legacies and grants	2	594,162	-	1,721,705	2,315,867	2,798,245
Other trading activities	3	-	-	2,736,415	2,736,415	1,608,972
Investments	4	-	-	4,804	4,804	2,257
Charitable activities	5	-	-	2,182,246	2,182,246	1,218,867
Total income		594,162	-	6,645,170	7,239,332	5,628,341
Expenditure on:						
Costs of generating voluntary income		-	-	2,471,348	2,471,348	1,589,490
Charitable activities		617,384	-	3,049,678	3,667,062	3,418,815
Total expenditure	6	617,384	-	5,521,026	6,138,410	5,008,305
Net gains on investments		-	176,916	476,994	653,910	225,079
Net income		(23,222)	176,916	1,601,138	1,754,832	845,115
Transfers between funds		(9,207)	-	9,207	-	-
Net movement in funds		(32,429)	176,916	1,610,345	1,754,832	845,115
Reconciliation of funds:						
Total funds at 1 January 2021		11,351,026	1,298,701	13,316,935	25,966,662	25,121,547
Total funds at 31 December 2021	17	11,318,597	1,475,617	14,927,280	27,721,494	25,966,662

All activities relate to continuing operations. The surplus for the year for Companies Act purposes is equivalent to the net movement in funds above.

The notes on pages 19 to 36 form part of these financial statements.

The Tank Museum Limited
(A company limited by guarantee)

Consolidated Balance Sheet
As at 31 December 2021

			2021		2020
	Note	£	£	£	£
Fixed assets					
Tangible assets	11		18,014,632		18,111,283
Investments	12		6,069,510		4,696,743
			<u>24,084,142</u>		<u>22,808,026</u>
Current assets					
Stocks	14	466,456		332,774	
Debtors	15	365,277		595,464	
Current asset investments	12	1,164,220		1,081,207	
Cash at bank and in hand		<u>2,349,283</u>		<u>1,646,918</u>	
		4,345,236		3,656,363	
Creditors:					
Amounts falling due within one year	16	<u>(707,884)</u>		<u>(497,727)</u>	
Net current assets			<u>3,637,352</u>		<u>3,158,636</u>
Total assets less current liabilities			<u>27,721,494</u>		<u>25,966,662</u>
Represented by:					
Designated funds	17		10,496,528		8,974,770
Restricted funds	17		11,318,597		11,351,026
Endowment funds	17		1,475,617		1,298,701
Unrestricted funds	17		<u>4,430,752</u>		<u>4,342,165</u>
Total funds			<u>27,721,494</u>		<u>25,966,662</u>

The financial statements were approved by the trustees on 19 May 2022 and signed on their behalf by:


Lieutenant General Sir Andrew Ridgway KBE CB DL

13 May 2022

The notes on pages 19 to 36 form part of these financial statements.

The Tank Museum Limited
(A company limited by guarantee)


Charity Balance Sheet
For the year ended 31 December 2021

			2021		2020
	Note	£	£	£	£
Fixed assets					
Tangible assets	11		18,014,632		18,111,283
Investments	12		6,069,512		4,696,745
			<hr/>		<hr/>
			24,084,144		22,808,028
Current assets					
Stocks	14	-		17,896	
Debtors	15	541,163		820,613	
Current asset investments	12	1,164,220		1,081,207	
Cash at bank and in hand		1,954,753		1,365,804	
		<hr/>		<hr/>	
		3,660,136		3,285,520	
Creditors:					
Amounts falling due within one year	16	(491,031)		(297,394)	
		<hr/>		<hr/>	
Net current assets			3,169,105		2,988,126
			<hr/>		<hr/>
Total assets less current liabilities			27,253,249		25,796,154
			<hr/>		<hr/>
Represented by:					
Designated funds	17		10,496,528		8,974,770
Restricted funds	17		11,318,597		11,351,026
Endowment funds	17		1,475,617		1,298,701
Unrestricted funds	17		3,962,507		4,171,657
			<hr/>		<hr/>
Total funds			27,253,249		25,796,154
			<hr/>		<hr/>

The profit for the financial period dealt with in the financial statements of the parent company was £1,457,095 (2020: £1,089,825). As permitted by Section 408 of the Companies Act 2006, no separate profit or loss account or statement of comprehensive income is presented in respect of the parent Company.

The financial statements were approved by the trustees on 19 May 2022 and signed on their behalf by:


Lieutenant General Sir Andrew Ridgway KBE CB DL

 13 May 2022

The notes on pages 19 to 36 form part of these financial statements.

The Tank Museum Limited
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 December 2021

		2021	2020
	Note	£	£
Net cash provided by operating activities	19	<u>2,150,511</u>	<u>815,340</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		4,804	2,257
Purchase of property, plant and equipment		(651,080)	(990,965)
Proceeds from disposal of investments		-	1,089,336
Purchase of investments		<u>(801,870)</u>	<u>(436,370)</u>
Net cash used in investing activities		<u>(1,448,146)</u>	<u>(335,742)</u>
Cash flows from financing activities			
Repayments of borrowings		-	(31,711)
Net cash used in financing activities		<u>-</u>	<u>(31,711)</u>
Change in cash and cash equivalents in the reporting period		702,365	447,887
Cash and cash equivalents brought forward		<u>1,646,918</u>	<u>1,199,031</u>
Cash and cash equivalents carried forward	20	<u><u>2,349,283</u></u>	<u><u>1,646,918</u></u>

The notes on pages 19 to 36 form part of these financial statements.

1 Accounting policies

The Tank Museum Limited is a company limited by guarantee incorporated in England and Wales. The registered office is Bovington Camp, Wareham, Dorset BH20 6JG.

1.1 Basis of preparation of financial statements

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 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Tank Museum Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Company status

The Charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.3 Incoming resources

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when; the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised. Refer to the Trustees' Report for more information about their contribution.

The Trustees have decided to recognise the financial contribution of the Ministry of Defence as a gift in kind to the Charity as a realistic estimate can be obtained.

1 Accounting policies (continued)

On receipt, the donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in the expenditure in the period of receipt.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

1.4 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Cost of generating funds are costs associated with attracting voluntary income.

Charitable expenditure and basis of allocation of costs comprises those costs incurred by the Charity in the delivery of its activities and services to enable the Charity to meet its charitable aims and objectives. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Staff costs and overhead expenses are allocated to activities on the basis of employee numbers.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include audit fees and costs linked to the strategic management of the Charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

1.5 Going concern

The financial statements have been prepared on the basis that the Charity is a going concern. The Trustees consider that there are no material uncertainties on the charity's ability to continue its activities for the foreseeable future. They have approved a detailed income and expenditure budget for 2021 and it will be able to meet its obligations and have sufficient time to mitigate against any unforeseen circumstances.

1.6 Tangible fixed assets and depreciation

The museum operates a £500 de minimus value on fixed asset additions, amounts lower than this limit are fully expensed in the year of purchase.

1 Accounting policies (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Displays	10 – 33% straight line
Furniture, fittings and equipment	10 – 20% straight line
Buildings	Over the remaining term of the lease & 10 – 33% straight line

Heritage assets

The majority of the tank collection has been received by donation to the museum. These are considered to be heritage assets under the terms of the Statement of Recommended Practice and consequently no value is placed on either the asset or the donation. The management policy in respect of heritage assets is summarised in note 12.

1.7 Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

1.8 Stocks

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

1.9 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

The group also operated a defined benefit pension scheme in the year. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. The scheme is a multi-employer scheme.

1 Accounting policies (continued)

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price and are subsequently measured at amortised cost using the effective interest method. Financial assets and financial liabilities classified as receivable or payable within one year are not amortised.

1.14 Fund accounting

Funds held by the Charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable projects at the discretion of the trustees.

Designated funds – these are funds set aside by the Trustees out of the unrestricted general funds for specific purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

1.15 Taxation

As a charity, The Tank Museum benefits from various exemptions from taxation afforded by tax legislation and is therefore not liable for corporation tax on income or gains falling within those exemptions.

The Tank Museum Limited
(A company limited by guarantee)

Notes to the financial statements (continued)
For the year ended 31 December 2021

2 Donations, legacies and grants

	Restricted funds 2021	Unrestricted funds 2021	Total funds 2021	Restricted funds 2020	Unrestricted funds 2020	Total funds 2020
	£	£	£	£	£	£
Donations	25,561	315,978	341,539	317,600	202,969	520,569
Legacies	-	2,556	2,556	-	51,929	51,929
Grants	568,601	593,124	1,161,725	471,959	985,242	1,457,201
Gifts in kind	-	810,047	801,047	-	768,546	768,546
Total	594,162	1,721,705	2,315,867	789,559	2,008,686	2,798,245

3 Trading activities

	Total funds 2021	Total funds 2020
	£	£
Subsidiary trading income		
Turnover	2,736,415	1,608,972
	2,736,415	1,608,972
Trading expenses		
Cost of sales	1,458,412	806,366
Administrative expenses	164,072	139,634
Salaries and overheads	646,702	493,482
	2,269,186	1,439,482
Net income from trading activities	467,229	169,490

On the face of the consolidated statement of financial activities all income is recognised within commercial trading operations and all expenditure is recognised within cost of generating funds, after removal of intercompany consolidation transactions.

The net income figure above is before any distribution of profits to the parent Charity.

4 Investment income

	Total funds 2021	Total funds 2020
	£	£
Bank interest	4,804	2,257

All of the above in both years relates to unrestricted funds.

The Tank Museum Limited
(A company limited by guarantee)

Notes to the financial statements (continued)
For the year ended 31 December 2021

5 Income from charitable activities

	Total funds 2021 £	Total funds 2020 £
Primary purpose trade	2,026,566	1,111,379
Ancillary trade	155,680	107,488
	<u>2,182,246</u>	<u>1,218,867</u>

All of the above in both years relates to unrestricted funds.

6 Total expenditure

Current year	Staff costs (Note 10)	Other direct costs	Support costs (Note 7)	Governance costs	Total 2021
Expenditure on raising funds					
Fundraising	-	19,785	23,106	-	42,891
Publicity and advertising	-	115,724	-	-	115,724
Fundraising trading	696,879	1,572,307	-	-	2,269,186
	<u>696,879</u>	<u>1,707,816</u>	<u>23,106</u>	<u>-</u>	<u>2,427,801</u>
Investment costs	-	-	-	-	-
Generation of income	-	43,547	-	-	43,547
Expenditure on charitable activities					
Primary purpose trade	61,303	1,124,266	1,634,988	36,458	2,857,015
Intangible expenditure	-	810,047	-	-	810,047
	<u>61,303</u>	<u>1,934,313</u>	<u>1,634,988</u>	<u>36,458</u>	<u>3,667,062</u>
Governance	-	13,352	23,106	(36,458)	-
	<u>758,182</u>	<u>3,699,028</u>	<u>1,681,200</u>	<u>-</u>	<u>6,138,410</u>
Support staff costs	1,282,775		(1,282,775)		
	<u>2,040,957</u>		<u>398,425</u>		

The Tank Museum Limited
(A company limited by guarantee)

Notes to the financial statements (continued)
For the year ended 31 December 2021

6 Total expenditure (continued)

<i>Prior Year</i>	Staff costs (Note 10)	Other direct costs	Support costs (Note 7)	Governance costs	Total 2020
Expenditure on raising funds					
Fundraising	-	12,275	20,278	-	32,553
Publicity and advertising	-	90,534	-	-	90,534
Fundraising trading	584,464	855,083	-	-	1,439,547
	<u>584,464</u>	<u>957,892</u>	<u>20,278</u>	<u>-</u>	<u>1,562,634</u>
Investment costs	-	-	-	-	-
Generation of income	-	26,631	-	-	26,631
Expenditure on charitable activities					
Primary purpose trade	60,944	1,021,054	1,532,622	35,649	2,650,269
Intangible expenditure	-	768,546	-	-	768,546
	<u>60,944</u>	<u>1,789,600</u>	<u>1,532,622</u>	<u>35,649</u>	<u>3,418,815</u>
Governance	-	15,371	20,278	(35,649)	-
	<u>645,408</u>	<u>2,789,494</u>	<u>1,573,178</u>	<u>-</u>	<u>5,008,080</u>
Support staff costs	1,123,585		(1,123,585)		
	<u>1,768,993</u>		<u>449,593</u>		

Notes to the financial statements (continued)
For the year ended 31 December 2021

7 Support costs

Current year	Costs of generating voluntary income	Governance	Primary purpose	Total 2021
	£	£	£	£
Staff related costs	651	651	63,777	65,079
Other costs	3,340	3,340	280,694	287,374
Wages and salaries	17,048	17,048	1,087,919	1,122,015
National insurance	1,445	1,445	141,640	144,530
Pension cost	622	622	60,958	62,202
	<u>23,106</u>	<u>23,106</u>	<u>1,634,988</u>	<u>1,681,200</u>
Prior Year	Costs of generating voluntary income	Governance	Primary purpose	Total 2020
	£	£	£	£
Staff related costs	444	444	43,569	44,457
Other costs	3,306	3,306	272,523	279,135
Wages and salaries	14,833	14,833	1,084,054	1,113,720
National insurance	1,155	1,155	79,610	81,920
Pension cost	539	539	52,868	53,946
	<u>20,277</u>	<u>20,277</u>	<u>1,532,624</u>	<u>1,573,178</u>

The support costs allocation has been based on employee numbers.

8 Turnover

All turnover arose in the United Kingdom.

9 Net incoming resources

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	747,731	769,074
Auditor's remuneration – audit	17,350	16,050
- non audit services	1,200	3,000
Operating lease rentals	-	-

During the year, no trustees received any remuneration (2020: £nil)

1 trustee received reimbursement of expenses amounting to £77 in the current year, (2020: 4 trustees, £721) relating to travel and board meeting costs.

10 Staff costs

Staff costs were as follows:	2021	2020
	£	£
Wages and salaries	1,826,588	1,593,613
Social security costs	150,444	119,953
Other pension costs	63,925	55,427
	<u>2,040,957</u>	<u>1,768,993</u>

The average monthly number of employees was 100 (2020: 100) and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	2021	2020
	Number	Number
Museum staff	78	71
Administration staff	1	1
	<u>79</u>	<u>72</u>

No employees received remuneration amounting to more than £60,000 (2020: none). Key management personnel received remuneration and benefits totalling £342,552 (2020: £316,436) and pension contributions of £17,233 (2020: £15,693).

11 Tangible fixed assets

Group	Buildings £	Assets in the course of construction £	Displays £	Furniture fittings & equipment £	Total £
Cost					
1 January 2021	21,240,529	673,557	2,812,879	2,468,909	27,195,874
Additions	142,656	-	379,558	128,866	651,080
Disposals	-	-	-	-	-
Transfers	(3,175)	(662,784)	-	665,959	-
31 December 2021	21,380,010	10,773	3,192,437	3,263,734	27,846,954
Depreciation					
1 January 2021	4,904,762	-	2,692,522	1,487,307	9,084,591
Charge for the year	524,365	-	89,176	134,190	747,731
On disposals	-	-	-	-	-
31 December 2021	5,429,127	-	2,781,698	1,621,497	9,832,322
Net book value					
31 December 2021	15,950,883	10,773	410,739	1,642,237	18,014,632
31 December 2020	16,335,767	673,557	120,357	981,602	18,111,283

Included in furniture, fittings and equipment are assets held by the trading subsidiary at a cost of £4,075. The assets have been fully written down.

The museum occupies land and buildings owned by the MOD. As noted in the accounting policies, the Ministry of Defence also provides support in the form of utilities and maintenance of the buildings.

Heritage assets

Heritage assets have not been capitalised in the current or previous period. The heritage assets consist of the Museum's collections both on and off display. They include some three hundred tanks and armoured fighting vehicles, fifty-seven thousand documents, ten thousand books, five thousand images and thirty-two thousand other artefacts. The whole of the collection has been "Designated" as of national importance by the Museums, Libraries and Archives Council.

Notes to the financial statements (continued)
For the year ended 31 December 2021

11 Tangible fixed assets (continued)

The table below details the heritage assets in the course of being catalogued and the progress to date.

	Total 2021 Number	Total 2020 Number
Documents <60% completed	60,650	57,760
Journals	2,596	2,595
Maps/technical drawings	4,173	3,821
Photographs and images	263,000	263,000
Total	330,419	327,176

Catalogued heritage assets

	2021 Number	Net movement Number	2020 Number	2019 Number	2018 Number	2017 Number
Vehicles, trailers, turrets etc.	384	6	378	378	373	368
Audio visual	5,071	111	4,960	4,707	4,185	4,098
Books	10,797	505	10,292	10,276	10,007	9,799
Equipment	5,250	182	5,068	4,971	4,851	4,786
Art/silver	857	27	830	926	827	821
Flags	477	17	460	460	453	436
Medals	3,713	521	3,192	3,175	3,046	3,016
Memorabilia	3,232	253	2,979	2,966	2,838	2,724
Models	1,112	66	1,046	1,044	1,045	1,012
Uniforms	7,849	772	7,077	7,046	6,711	6,507
Weapons	1,159	204	955	949	936	899
Total	39,901	2,664	37,237	36,898	35,272	34,466

The heritage assets have been excluded from the balance sheet due to the significant costs that would be involved in the valuation, which are onerous compared with the additional benefit that would be derived by users of the accounts in assessing the trustees' stewardship of the accounts.

The standards of museum ethics regarding disposal to which The Tank Museum have subscribed as part of being an Accredited Museum do not allow the organisation to dispose of collection items primarily for financial reasons, and objects for disposal must first be offered to other accredited museums free of charge.

12 Fixed asset investments

Group and Charity	Listed Securities £
Market value	
At 1 January 2021	5,777,950
Additions	801,870
Disposals	-
Gain on investments	653,910
At 31 December 2021	7,233,730

The above market value at 31 December 2021 represents investments held as short term of £1,164,220 (2020: £1,081,207) and long term of £6,069,510 (2020: £4,696,743).

The historical cost at 31 December 2021 was £5,513,328 (2019: £5,282,397).

All of the listed securities relate to investment assets held in the UK.

In addition, the Charity holds two £1 shares in its subsidiary undertaking.

13 Principal subsidiaries

Name of undertaking	Registered office	Class of share held	% Held
The Tank Museum Trading Company Limited (registered no. 02236998)	Bovington Camp, Wareham, Dorset, BH20 6JG	Ordinary	100.00

The activity of the above company includes that of retailing souvenirs and books, and operating the trading of the museum.

Notes to the financial statements (continued)
For the year ended 31 December 2021

14 Stocks

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Finished goods and goods for resale	466,456	332,774	-	17,896

15 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	37,402	23,130	16,273	16,529
Amounts due from subsidiary	-	-	217,123	260,622
Other debtors	2,208	35,973	1,710	35,072
Prepayments and accrued income	325,667	536,361	306,057	508,390
	365,277	595,464	541,163	820,613

16 Creditors: Amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	234,965	140,228	101,514	59,247
Other taxation and social security	78,171	36,107	76,321	34,803
Other creditors	24,507	21,178	22,379	19,627
Accruals and deferred income	370,241	300,214	290,817	183,717
	707,884	497,727	491,031	297,394

There is deferred income included above of £95,332 (2020: £240,938) in the group. This represents ticket sales in advance for Tiger Day Events in April and September and the major annual event Tank Fest. This balance is higher in the 2020 year because all events were cancelled due to Covid and therefore ticketholders were given the option of deferring their tickets. This is then being released over time when used.

17 Statement of funds

Movement of funds for the year

Current year	At 1 January 2021 £	Incoming resources £	Resources expended £	Transfers in/(out) £	Gains £	At 31 December 2021 £
Designated funds						
Fixed assets	4,881,187	-	(140,416)			4,740,771
Vehicle	14,820	-	(24,027)	9,207	-	-
restoration						
Vehicle store	-	-	-	1,000,000		1,000,000
2054 fund	2,997,556	-	-	200,000	393,981	3,591,537
General	1,081,207	-	-	-	83,013	1,164,220
resource						
	<u>8,974,770</u>	<u>-</u>	<u>(164,443)</u>	<u>1,209,207</u>	<u>476,994</u>	<u>10,496,528</u>
General funds						
Reserves	4,342,165	6,645,170	(5,356,583)	(1,200,000)	-	4,430,752
Total unrestricted funds	<u>13,316,935</u>	<u>6,645,170</u>	<u>(5,521,026)</u>	<u>9,207</u>	<u>476,994</u>	<u>14,927,280</u>
Restricted funds						
Buildings	10,429,833	243,757	(426,511)	320,714	-	10,567,793
Exhibitions	810,514	277,402	(126,385)	(323,114)	-	638,417
Revenue	110,679	73,003	(64,488)	(6,807)	-	112,387
	<u>11,351,026</u>	<u>594,162</u>	<u>(617,384)</u>	<u>(9,207)</u>	<u>-</u>	<u>11,318,597</u>
Endowment funds	1,298,701	-	-	-	176,916	1,475,617
Total funds	<u>25,966,662</u>	<u>7,239,332</u>	<u>(6,138,410)</u>	<u>-</u>	<u>653,910</u>	<u>27,721,494</u>

17 Statement of funds (continued)

<i>Prior Year</i>	At 1 January 2020 £	Incoming resources £	Resources expended £	Transfers in/(out) £	Gains £	At 31 December 2020 £
Designated funds						
Fixed assets	5,031,338	-	(148,221)	(1,930)	-	4,881,187
Vehicle restoration	36,224	-	(21,404)	-	-	14,820
2054 fund	2,825,671	-	-	35,000	136,885	2,997,556
General resource	1,757,002	-	-	(700,000)	24,205	1,081,207
	<u>9,650,235</u>	<u>-</u>	<u>(169,625)</u>	<u>(666,930)</u>	<u>161,090</u>	<u>8,974,770</u>
General funds						
Reserves	3,045,489	4,838,782	(4,214,365)	672,259	-	4,342,165
Total unrestricted funds	<u>12,695,724</u>	<u>4,838,782</u>	<u>(4,383,990)</u>	<u>5,329</u>	<u>161,090</u>	<u>13,316,935</u>
Restricted funds						
Buildings	10,885,201	965	(456,333)	-	-	10,429,833
Exhibitions	169,154	715,150	(106,572)	32,782	-	810,514
Revenue	98,645	73,444	(61,410)	-	-	110,679
	<u>11,153,000</u>	<u>789,559</u>	<u>(624,315)</u>	<u>32,782</u>	<u>-</u>	<u>11,351,026</u>
Endowment funds	1,272,823	-	-	(38,111)	63,989	1,298,701
Total funds	<u>25,121,547</u>	<u>5,628,341</u>	<u>(5,008,305)</u>	<u>-</u>	<u>225,079</u>	<u>25,966,662</u>

17 Statement of funds (continued)

Fund descriptions

Designated fund

Fixed Assets—The fixed asset designated fund was set up to reflect those assets held by the Charity vital to its continuing objects. At the year-end assets with a net book value of £4,740,771 (2020: £4,881,187) relating to completed capital projects have been derestricted and have been transferred into this reserve.

Vehicle restoration – The Vehicle Restoration designated fund income relates to the sales proceeds from the sale of a heritage asset. In line with Museum regulations the funds will only be used to fund further exhibitions.

2054 fund is a long-term fund to support the ongoing running of the Museum if the lease with the MOD is not renewed by 2054.

General resource fund is a fund to support future building improvements and vehicle restoration.

Restricted Funds

Buildings represent our “At Close Quarters” Phase 2 Main Museum redevelopment and our Conservation Workshop building.

Exhibition funds are funds to fund our ongoing exhibitions.

Revenue funds are the Vehicle Restoration fund and the Charles Burnett III Fund for the restoration of British and Foreign vehicles.

Endowment Funds relate to the HLF Catalyst Endowment Fund. This constitutes an endowment fund which will become expendable in 2037. The income derived from the fund can be used to fund exhibitions.

18 Analysis of net assets between funds

Fund balances at 31 December 2021 are represented by:

	Restricted funds 2021	Endowment funds 2021	Unrestricted funds 2021	Total funds 2021
	£		£	£
Tangible fixed assets	11,100,542	-	6,914,090	18,014,632
Fixed asset investments	-	1,475,617	4,593,893	6,069,510
Current asset investments	-	-	1,164,220	1,164,220
Current assets	218,055	-	2,962,961	3,181,016
Creditors due within one year	-	-	(707,884)	(707,884)
Total	11,318,597	1,475,617	14,927,280	27,721,494

18 Analysis of net assets between funds (continued)

Fund balances as at 31 December 2020 are represented by:

	Restricted funds 2020	Endowment funds 2020	Unrestricted funds 2020	Total funds 2020
	£		£	£
Tangible fixed assets	10,975,724	-	7,135,559	18,111,283
Fixed asset investments	-	1,298,701	3,398,042	4,696,743
Current asset investments	-	-	1,081,207	1,081,207
Current assets	375,302	-	2,199,854	2,575,156
Creditors due within one year	-	-	(497,727)	(497,727)
Total	11,351,026	1,298,701	13,316,935	25,966,662

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

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	1,754,832	845,115
Adjustment for:		
Depreciation charges	747,731	769,074
Loss on disposal of fixed assets	-	5,367
(Gains)/losses on investments	(653,910)	(225,079)
Dividends, interest and rents from investments	(4,804)	(6,709)
Increase in stocks	(133,682)	(11,143)
Decrease/(increase) in debtors	230,187	(267,688)
Increase/(decrease) in creditors	210,157	(298,049)
Net cash provided by operating activities	2,150,511	815,340

20 Analysis of changes in net debt

Current year	Balance at 1 January 2021 £	Cash flows £	Other non-cash changes £	Balance at 31 December 2021 £
Cash in hand	1,646,918	702,365	-	2,349,283
	1,646,918	702,365	-	2,349,283

20 Analysis of changes in net debt (continued)

<i>Prior Year</i>	Balance at 1 January 2020 £	Cash flows £	Other non-cash changes £	Balance at 31 December 2020 £
Cash in hand	1,199,031	447,887	-	1,646,918
Loans due within 1 year	(31,711)	31,711	-	-
Loans due after 1 year	-	-	-	-
	<u>1,167,320</u>	<u>479,598</u>	<u>-</u>	<u>1,646,918</u>

21 Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted of £63,925 (2020: £55,427). Contributions totalling £nil (2020: £nil) were payable to the fund at the balance sheet date and are included in creditors.

22 Indemnity insurance

Indemnity insurance for the trustees has been taken out giving £3 million of cover at a cost of £2,261 (2020: £2,391).

23 Related party transactions

During the year, a trustee donated £2,077 (2020: nil) to the Charity.

A company donated £2,000 (2020: nil) to the Charity, who have a director who is also a trustee.

24 Capital commitments

The Charity had capital commitments of £nil at the year end in relation to ongoing building projects (2020: £174,794).