

Registered number: 06460179  
Charity number: 1133304

**THE ROYAL SIGNALS MUSEUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**UNAUDITED**

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**THE ROYAL SIGNALS MUSEUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY INFORMATION**

**COMPANY SECRETARY**      Mr R N Kendall-Carpenter

**TRUSTEES**

Co-opted	Brigadier PJ Davies Brigadier EM Flint Colonel A Cunningham TD Lieutenant Colonel R Buston TD Mrs JM Stockdale
Ex-officio	Brigadier G Wilson Colonel MC Brookes ADC Colonel MJ Morton - retired 17 May 2021 Colonel CEJ Davies - appointed 17 May 2021 Warrant Officer Class 1 R Scarcliffe

**COMPANY NUMBER**      06460179 (England and Wales)

**CHARITY NUMBER**      1133304

**PRINCIPAL ADDRESS AND  
REGISTERED OFFICE**

Royal Signals Museum  
Griffin House, Blandford Camp  
Blandford Forum, Dorset, DT11 8RH

**INDEPENDENT EXAMINER**

Guy Biggin FCCA  
Crowe U.K. LLP  
St James House, St James Square  
Cheltenham  
Gloucestershire, GL50 3PR

**BANKERS**

Lloyds Bank PLC  
Coxs and Kings Branch  
8-10 Waterloo Place  
London, SW1Y 4BE

**SOLICITORS**

Wilsons Solicitors LLP  
Alexandra House, St Johns Street  
Salisbury  
Wiltshire, SP1 2SB

**THE ROYAL SIGNALS MUSEUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**

The Trustees present their report and the financial statements of the Charity for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Royal Signals Museum Trust (Registered Charity No. 1070420) was established by a Deed of Trust dated 10 June 1998. On 27 December 2007 a new charity was incorporated as a company limited by guarantee, The Royal Signals Museum (Company No. 06460179, Registered Charity No. 1133304). A scheme to transfer the assets of the Trust to the Limited Company was approved by the Charity Commission on 15 December 2009. The governing document is the Memorandum and Articles of Association dated 27 December 2007, as altered by Special Resolution passed on 4 March 2008.

Each newly appointed Trustee receives an induction pack containing the governing documents, statements of accounts and a copy of the Charity Commission's guide 'The Essential Trustee: What You Need To Know'. All current Trustees are familiar with the work and procedures of the Charity through their service in The Royal Corps of Signals. New Trustees are appointed by assuming their ex-officio role or by being co-opted by the existing Trustees.

The Board of Trustees meet biannually and at any other time to meet specific requirements. The Trustees agree the broad strategy and the Museum's Forward Plan. The responsibility for the day to day running of the Museum is invested in the Museum Director who is Secretary to the Board of Trustees. However, the Board takes all major decisions concerning the governance of the Museum. The Board is supported by:

- The Museum Finance and Executive Committee is chaired by a nominated Trustee and meets at least quarterly. It considers all financial aspects of the Museum's operation. It advises the Director and Business Manager and makes recommendations to the Board of Trustees on all financial matters including insurance, investment, current income and expenditure, risk management and the annual budget.
- The Museum's Acquisitions Advisory Committee, which considers the requirements for acquisitions to and disposals from the collection. It advises the Director and Curator and reports to the Board of Trustees.

The day to day management of the Charity is delegated to Mr R N Kendall-Carpenter who can be contacted at Regimental Headquarters Royal Signals, Griffin House, Blandford Camp, Blandford Forum, Dorset, DT11 8RH.

**RELATED PARTIES**

The Royal Signals Museum Trading Company Limited is a subsidiary of the Charity.

The Charity has a close working relationship with The Royal Signals Charity. The Charities have similar objectives, activities and units of administration.

**RISK MANAGEMENT**

The Trustees have considered the major risks to which the Charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

Two strategic risks have been identified. The Ministry of Defence (MoD) might continue to reduce, or even curtail, their financial assistance to such an extent that the Museum is no longer viable. The MoD could force relocation of the Museum; it is likely that this would be largely funded by the MoD, but there would be a shortfall. To mitigate these risks, the trustees of the Royal Corps of Signals Benevolent Fund have given assurances that they would support the Museum.

**THE ROYAL SIGNALS MUSEUM**  
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**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**  
(continued)

**OBJECTIVES AND ACTIVITIES**

**Objectives**

The objectives of the Museum are to:

- Preserve and enhance the historical collection of the Royal Corps of Signals in accordance with its declaration of Trust and its Acquisition and Disposal policy.
- Make the public aware of the Royal Corps of Signals, its role and achievements thereby contributing to the projection of a positive image of the Army.
- Contribute to the *esprit de corps* of the Corps.
- Illustrate aspects of military life, the development of weapons and equipment and the service and sacrifice of the community.
- Promote military efficiency and encourage recruitment by public exhibition of its collections.
- Provide an educational resource for both adults and children with particular reference to the National Curriculum.
- Provide a focal point for members of the Corps, both serving and retired and their heirs and successors.
- Underpin the identity and values of the Army's Regimental System through the existence of the Corps collection and archives.
- Provide the public with an enjoyable and educational experience at times that are convenient to the visitor.
- Promote military scholarship and research.

**Activities**

The Museum's operation encompasses a number of diverse activities to meet its aims and objectives. These enable it to both meet the needs of the serving and retired Corps, the Army and the wider public.

The Museum maintains an internet site, reserve collection, archive and library for research purposes and to safeguard the heritage of the Corps.

The business section is responsible for the marketing of the Museum and fundraising initiatives and events. The shop (including an extensive internet mail order facility) is run through a subsidiary company, The Royal Signals Museum Trading Company Limited.

The Museum has outreach services and loan boxes. It supports and encourages the use of the Museum's facilities by schools, colleges, youth organisations, military courses, Army Cadet Force, Combined Cadet Force, adult groups (such as Probus, Lions, WI, Rotary) and military associations.

The Museum supports the MoD by providing free visitor access for soldiers, free access and guided tours for official visitors to the camp, free access to all personnel based on the Camp, research material and access for personnel on courses and for Corps units, induction visits to all newly recruited officers and soldiers and an artefact loan facility for Corps units. There are also displays depicting Current Military Operations.

**PUBLIC BENEFIT**

Taking the Charity Commission's guidance into consideration, the Trustees are satisfied that our public benefit requirements have been met. The Charity provides public benefit to the general public by:

- educating them about the roles, activities, achievements, capabilities, heritage and equipment of the Royal Corps of Signals;
- building and preserving a valuable historic collection, and encouraging scholarship;
- commemorating and remembering those who have lost their lives or suffered injury in the service of the public of the United Kingdom;
- strengthening the links between the military and civilian communities;
- emphasising the contribution that women have made to the effectiveness of military communications and promoting volunteering;
- recording and presenting the deeds and works of existing members of the Corps, as well as those of their forebears, thereby contributing to the *esprit de corps* of the Royal Signals and to the efficiency of the British Army; and
- providing a research library and archival services, guided tours, and national curriculum based school activities as well as an enjoyable and educational museum experience for the general public at times convenient to the public and for a reasonable fee with a variety of individual and group concessions.

**THE ROYAL SIGNALS MUSEUM**  
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**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**  
(continued)

**ACHIEVEMENTS AND PERFORMANCE**

The Coronavirus Covid-19 pandemic and the resulting "lockdowns" meant that the Museum remained closed to visitors until it partially reopened in June 2021.

Museum staff, not directly funded externally, were furloughed under the Government's Job Retention Scheme (JRS) and continued to be paid their full salary. Some individuals returned to work for a few days a month under the Government's flexible furlough rules. The Museum's Curator is a full time Civil Servant, and so was not furloughed and continued working, mainly from home. The Museum's Director and Attendant were both largely funded by grants £72K (2020: £72K) from the Army Museums Ogilby Trust (AMOT), and so were not furloughed,

The annual £110K grant from the Royal Signals Charity (RSC), was previously linked to the funding of specific members of staff, and specific enhancements of the Museum's displays and capabilities. Before the pandemic lockdown, it was agreed that this link need not be applied and the grant could be used for general purposes.

As a result of the Museum's closure under the Covid-19 restrictions and the cancellation of Corps events, admission income and shop sales were severely curtailed. Grant income from RSC and AMOT were maintained at their usual rates. The substantial JRS grants of £44K (2020: £52K) have been a significant factor in the Museum's finances in 2020 and 2021.

**FINANCIAL REVIEW**

Total income for the year amounted to £255K (2020: £279K); without the JRS grants this would have been £211K (2020: £227K). Total expenditure came to £256K (2020: £294K) of which depreciation amounted to £22K (2020: £26K). The deficit for the year amounted to £1K (2020: £15K), which would have been a surplus of £21K (2020: £11K) without depreciation. If the JRS grants had not been received the total deficit would have been £45K (2020: £67K).

**RESERVES POLICY**

The Trustees have decided that the Museum should maintain a minimum reserve in the General Fund of the greater of either a year's salary costs (not including posts funded by Army grants) or 6 months operating costs. If the need arose, this should allow the Museum to shut down in an orderly fashion, pay redundancy costs and distribute the contents of the Collection and Archive to other appropriate bodies. The General Fund reserves (free of all designations) are currently about £40,000 in excess of this minimum.

The General Fund reserves continue to be used to fund the deficits on basic operations, for working capital and routine updating of the displays. It is expected that external funding will have to be sought for future major projects or acquisitions.

**PLANS FOR FUTURE PERIODS**

The Museum Director continues to direct the development of an achievable and sustainable programme of exhibits, exhibitions and activities and in consultation with the Trustees and key stakeholders, develop a strategy for the Museum.

Until December 2023 the Museum staff will be directed at changing the focus of the Museum so that story-telling becomes its principal means of promoting esprit de corps and understanding. This will involve:

- Funding and building a story gathering and telling capability;
- Reducing the Reserve Collection to a minimum, keeping only those objects that can make a contribution to the Museum's ability to tell the Corps' stories;
- Turning the Archive into a resource to store and tell the Corps' stories;
- Reducing the scope and scale of the Shop to a minimum level needed to make a visit to the Museum a satisfying experience for members of the general public.

**THE ROYAL SIGNALS MUSEUM**  
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**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**  
(continued)

**GOING CONCERN - COVID-19 PANDEMIC**

The Covid-19 pandemic caused the museum's closure in March 2020, with most of the museum's staff being furloughed under the Government's "Job Retention Scheme". The Trustees and management have been monitoring the potential impact on its activities and a forecast has been prepared with a number of assumptions built in, including the length of the government furlough scheme and projected effects on visitor numbers and other income schemes. The closing cash position at the year-end is strong as is the reserves position, and the ongoing support of the Royal Signals Charity and the implied backing of the Ministry of Defence are not in doubt.

Despite the current circumstances the Trustees believe that the Charity's financial resources and contingency planning is sufficient to ensure the ability of the Charity to continue as a going concern for the foreseeable future and that there are no material uncertainties about the Charity's ability to continue, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

As a result, at the date of signing, these financial statements indicate that the Charity will be able to continue to operate as a going concern.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of the The Royal Signals Museum for the purposes of Company Law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare the 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 affairs of the charitable company and of the incoming resources and the application of resources, including the income and expenditure, of the charitable company for that period.

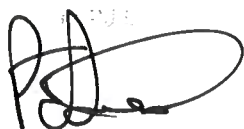
In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Trustees on **28 July 2022** and signed on their behalf by:



**Brigadier PJ Davies**  
Trustee

**THE ROYAL SIGNALS MUSEUM  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2021, which are set out on pages 7 to 16.

This report is made solely to the charitable company's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charitable company's trustees as a body in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charitable company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's Trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

**Responsibilities and basis of report**

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**Guy Biggin FCCA**  
Crowe U.K. LLP  
St James House  
St James Square  
Cheltenham  
Gloucestershire  
GL50 3PR

Date: 1 September 2022

**THE ROYAL SIGNALS MUSEUM**  
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**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021**  
(Incorporating an Income and Expenditure Account)

	2021			2020		
	Unrestricted General £	Designated £	Total Funds £	Unrestricted General £	Designated £	Total Funds £
<b>INCOME FROM</b>	<b>Note</b>					
Donations and legacies	2	17,963	-	500	18,463	25,684
Charitable activities	3	110,000	-	116,697	226,697	110,000
Other trading activities: Admissions		9,170	-	-	9,170	4,227
Investments	4	486	-	-	486	10,885
<b>TOTAL INCOME</b>		<b>137,619</b>	<b>-</b>	<b>117,197</b>	<b>254,816</b>	<b>150,796</b>
<b>EXPENDITURE ON</b>						
Raising funds	5	1,221	-	-	1,221	5,275
Charitable activities	6	117,267	20,673	116,697	254,637	140,035
<b>TOTAL EXPENDITURE</b>		<b>118,488</b>	<b>20,673</b>	<b>116,697</b>	<b>255,858</b>	<b>145,310</b>
<b>NET (EXPENDITURE) AND NET MOVEMENT IN FUNDS</b>						
Total funds brought forward		19,131	(20,673)	500	(1,042)	5,486
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>291,921</b>	<b>339,337</b>	<b>4,893</b>	<b>636,151</b>	<b>286,435</b>
		<b>311,052</b>	<b>318,664</b>	<b>5,393</b>	<b>635,109</b>	<b>291,921</b>
	Note 13	Note 13	Note 14			

The notes on pages 10 to 16 form part of these financial statements.



**THE ROYAL SIGNALS MUSEUM**  
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Registered Company Number 06460179

**BALANCE SHEET AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	8	362,433	375,000
Heritage assets	9	-	-
		<u>362,433</u>	<u>375,000</u>
<b>INVESTMENT IN SUBSIDIARY</b>	10	1	1
<b>CURRENT ASSETS</b>			
Debtors	11	207,348	212,143
Cash at bank and in hand		134,534	115,932
		<u>341,882</u>	<u>328,075</u>
<b>CREDITORS: Amounts falling due within one year</b>	12	(69,207)	(66,925)
<b>NET CURRENT ASSETS</b>		<u>272,675</u>	<u>261,150</u>
<b>TOTAL NET ASSETS</b>		<u>635,109</u>	<u>636,151</u>
<b>FUNDS</b>			
<b>UNRESTRICTED</b>			
Designated Funds			
Fixed Asset Fund		316,660	333,326
Other Asset Fund		2,004	6,011
		<u>318,664</u>	<u>339,337</u>
General Fund		311,052	291,921
	13	<u>629,716</u>	<u>631,258</u>
<b>RESTRICTED</b>	14	5,393	4,893
<b>Total Funds</b>		<u>635,109</u>	<u>636,151</u>

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These financial statements have been prepared in accordance with the provisions relating to the small companies regime within Part 15 of the Companies Act 2006 relating to small companies.

The financial statements on pages 7 to 16 were approved by the Board of Trustees on **28 July 2022** and signed on its behalf by:



**Brigadier PJ Davies**  
Trustee

The notes on pages 10 to 16 form part of these financial statements.

**THE ROYAL SIGNALS MUSEUM**  
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**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021**

	<u>2021</u>	<u>2020</u>
	£	£
<b>Cash flows from operating activities</b>		
Net expenditure	(1,042)	(15,370)
Adjustments for:		
Depreciation charges	22,456	26,490
Investment income shown in investing activities	(486)	(10,885)
(Increase)/Decrease in debtors	4,795	(22,123)
Increase/(Decrease) in creditors	2,282	12,969
<b>Net cash provided by operating activities</b>	<u>28,005</u>	<u>(8,919)</u>
<b>Cash flows from investing activities</b>		
Interest and dividends from investments	486	10,885
Purchase of fixed assets	(9,889)	-
<b>Net cash provided by investing activities</b>	<u>(9,403)</u>	<u>10,885</u>
<b>Change in cash and cash equivalents in the year</b>	18,602	1,966
Cash and cash equivalents brought forward	115,932	113,966
<b>Cash and cash equivalents carried forward</b>	<u>134,534</u>	<u>115,932</u>

Cash and cash equivalents comprise of Cash in hand and Bank balances

**THE ROYAL SIGNALS MUSEUM**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**1 ACCOUNTING POLICIES**

**a. Charity information**

The Royal Signals Museum is registered as an incorporated Charity limited by guarantee with Companies House (registered no. 06460179 England and Wales) and the Charity Commission (registered no. 1133304). Its Registered Office is Griffin House, Blandford Camp, Blandford Forum, Dorset, DT11 8RH.

**b. 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 financial statements 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 Charities Act 2011 and Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Consolidated accounts, incorporating the subsidiary company, are not prepared as the group has taken advantage of the size exemptions.

The Royal Signals Museum meets the definition of a public benefit entity under FRS 102.

**c. Going Concern**

The Charity has cash resources and has no requirement for additional external funding. The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements (see Going Concern - Covid19 in the Trustees' Report, page 5).

The Trustees have been in negotiations for a formal lease for the land on which the museum was built. Progress with this stalled during the Strategic Defence and Security Review and the reorganisation of the Defence Estates. It is expected that negotiations will resume. This causes uncertainty concerning the value of the museum building in the Balance Sheet and potentially the museum's ability to continue on the same site. The Trustees believe that there is a low risk of an outcome which would put the operation of the museum at significant risk.

**d. Connected Charities**

The Charity is connected to the Royal Signals Charity (an unincorporated charity), due to their related objectives and activities. The Charity is also connected to the Royal Signals Museum Trust (a dormant unincorporated charity). This entity previously conducted the Charity's charitable operations.

**e. Donations, Legacies and Grants Receivable**

Income from donations, fundraising and legacies are accounted for on a receipts basis unless the income will be received and its value can be measured with sufficient reliability. Those funds provided for a specific purpose are taken to a restricted fund.

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 Charity 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.

**f. Income from Investments**

Income from investments is accounted for on a receivable basis.

**g. Grants Receivable**

Grants receivable from government bodies and other sources are received for specific projects/costs and are recognised in accordance with their individual terms and conditions. Income is recognised when the Charity has entitlement to the funds, which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

**THE ROYAL SIGNALS MUSEUM**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**h. Resources Expended**

**Direct Charitable costs** are allocated to the particular activity where the cost relates directly to that activity and in accordance with the objectives of the Charity.

**Support costs** comprise expenditure incurred directly in support of Charitable Objectives.

**Governance costs** represent professional and statutory fees in respect of the running of the Charity.

**i. Heritage Assets**

Heritage assets are defined as assets of historic, artistic or scientific importance that are held to advance preservation, conservation and educational objectives of the Charity and through public access contribute to the nation's culture and education at either a national or local level. These assets are central to the achievement of the aims of the Museum and include exhibits and artefacts.

Heritage assets purchased or donated to the Museum are charged to expenditure at cost or valuation when they are acquired and are not capitalised and depreciated; they have no realisable value, as they have to be offered to other museums when disposed of, and they have an indefinite useful life (see note 9).

In 2016 the Museum was re-accredited by the Arts Council England, so it has been judged as meeting government standards for acquisition, preservation, management, disposal and recording of the collection. It is open to the public 7 days a week in the Summer and 5 days a week in the Winter.

**j. Other Tangible Fixed Assets and Depreciation**

The extension to the Museum building was capitalised at cost. Its realisable value and useful life cannot currently be determined, due to the lack of a lease as mentioned above. It is being depreciated at 5% per annum, by the reducing balance method, as a reasonable estimation.

Equipment, fixtures and fittings used for administration, maintenance, archives and display purposes, costing more than £500 are capitalised at cost and depreciated at 15%, 20% or 33.3% per annum, by the straight line method, depending on the type of the asset.

Impairment reviews are carried out regularly.

**k. Taxation**

The entity is a registered Charity, and as such claims tax exemption for all its United Kingdom income and gains, properly applied for its charitable purposes.

**l. Funds**

Restricted funds are amounts which have been earmarked by the donors for specific purposes.

Unrestricted funds are expendable at the discretion of the Trustees.

Designated funds are Unrestricted funds, set-aside at the discretion of the Trustees for specific purposes.

**m. Debtors**

Debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

**n. Creditors**

Creditors and provisions are recognised where the Charity 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. Provisions are not discounted to net present value as the difference would be immaterial to the financial statements.

**o. 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 value and subsequently measured at their settlement value.

The Charitable company has the following basic financial instruments: Cash at bank and in hand, debtors and creditors are all measured at amortised cost.

**p. Critical accounting judgements and key sources of estimation uncertainty**

Preparation of the financial statements requires management to consider making any significant judgements and estimates where necessary. There are no items in the financial statements where significant judgements and estimations have been made, except for depreciation as noted in 1j above.

**THE ROYAL SIGNALS MUSEUM**  
(A COMPANY LIMITED BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**2 DONATIONS**

	2021			2020
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Blue Card Membership Scheme	17,670	-	17,670	22,546
Communications Café	-	-	-	340
Legacies	-	-	-	-
Individuals	293	-	293	998
Other	-	500	500	5,558
	<u>17,963</u>	<u>500</u>	<u>18,463</u>	<u>29,442</u>
Prior Year Totals	<u>25,684</u>	<u>3,758</u>	<u>29,442</u>	<u>35,046</u>

**3 CHARITABLE ACTIVITIES: GRANTS RECEIVABLE**

	2021			2020
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Royal Signals Charity - Corps Grant	110,000	-	110,000	110,000
Governments Grants	-	44,270	44,270	52,077
Job Retention Scheme	-	72,427	72,427	72,002
Army Museum - Grant in Aid	-	-	-	-
	<u>110,000</u>	<u>116,697</u>	<u>226,697</u>	<u>234,079</u>
Prior Year Totals	<u>110,000</u>	<u>124,079</u>	<u>234,079</u>	<u>179,543</u>

**4 INVESTMENT INCOME**

	2021			2020
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Interest on Deposit Accounts	9	-	9	225
Interest from Subsidiary Company (note 15)	477	-	477	803
Gift Aid payments from Subsidiary Company	-	-	-	-
Donated Shop Profits (note 15)	-	-	-	9,857
	<u>486</u>	<u>-</u>	<u>486</u>	<u>10,885</u>
Prior Year Totals	<u>10,885</u>	<u>-</u>	<u>10,885</u>	<u>2,196</u>

**5 FUND RAISING & PUBLICITY COSTS**

	2021			2020
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Museum Publicity	1,221	-	1,221	5,275
	<u>1,221</u>	<u>-</u>	<u>1,221</u>	<u>5,275</u>
Prior Year Totals	<u>5,275</u>	<u>-</u>	<u>5,275</u>	<u>8,691</u>

**THE ROYAL SIGNALS MUSEUM**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**6 CHARITABLE ACTIVITIES COSTS**

	2021		2020
	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Projects and exhibitions	103	-	103
Maintenance	438	-	438
Acquisitions – Artifacts, Books, Medals, Etc	372	-	372
Outreach, Vehicle Costs	29	-	29
Reduction in shop stock (Note 15a)	-	-	-
	942	-	942
Support costs:			
Salaries	101,064	116,697	217,761
Insurance	5,936	-	5,936
IT Support	3,543	-	3,543
Personnel Expenses	386	-	386
Volunteer Expenses	316	-	316
Bank and Credit Card Charges	50	-	50
Miscellaneous Expenses	445	-	445
Depreciation (Note 8)	1,783	-	1,783
Governance costs:			
Trustee Expenses	-	-	-
Independent Examination	2,802	-	2,802
	117,267	116,697	233,964
Funded from Designated Funds			
Depreciation (Note 8)	20,673	-	20,673
	137,940	116,697	254,637
			288,728

No Trustee (2020 none) received reimbursement in respect of travel expenses in 2021; none (2020 none) were remunerated.

**7 STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL**

	2021	2020
	£	£
<u>a. Staff costs</u>		
Wages and salaries	191,806	193,346
Employer's Pension costs	8,501	16,127
Social security costs	17,454	17,613
	217,761	227,086

The Museum gratefully received a significant amount of voluntary help during the year. The Charity also benefits from staff costs and building running costs (unquantifiable in total) paid for by the Ministry of Defence, as part of their contribution to Corps heritage and esprit de corps.

No employee earned in excess of £60,000 per annum (2020: none).

b. Staff numbers

There were 7 permanent and no temporary employees in 2021 (2020: 7 permanent & no temporary).

c. Remuneration of key management personnel

Aggregate employee costs of key management personnel, the director Mr RN Kendall-Carpenter, were £70,389 (2020: £66,147).

**THE ROYAL SIGNALS MUSEUM**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>8 TANGIBLE FIXED ASSETS</b>	Fixtures and Fittings £	Display assets £	Museum Building £	Total £
Cost				
At 1 January 2021	165,633	290,835	1,043,002	1,499,470
Additions in the Year	-	9,889	-	9,889
At 31 December 2021	<u>165,633</u>	<u>300,724</u>	<u>1,043,002</u>	<u>1,509,359</u>
Accumulated depreciation				
At 1 January 2021	159,622	290,835	674,013	1,124,470
Depreciation for the year	4,007	-	18,449	22,456
At 31 December 2021	<u>163,629</u>	<u>290,835</u>	<u>692,462</u>	<u>1,146,926</u>
Net book value				
At 31 December 2021	2,004	9,889	350,540	362,433
At 31 December 2020	<u>6,011</u>	<u>-</u>	<u>368,989</u>	<u>375,000</u>

The Museum Building is subject to negotiation of a legal lease with the Ministry of Defence, which could impair the value of the building, see note 1i.

**9 HERITAGE ASSETS**

Heritage assets are not capitalised in the financial statements in accordance with the accounting policy disclosed in Note 1h. They have an approximate insurance value of £1,100,000, this includes assets acquired in past accounting periods.

The Trustees consider the cost of carrying out a professional valuation to include these assets at a value in the financial statements to be considerable compared to the limited additional benefit derived by the users of the financial statements.

**10 INVESTMENT IN SUBSIDIARY**

	2021 £	2020 £
The Royal Signals Museum Trading Company Limited		
Registered number: 03685523	<u>1</u>	<u>1</u>

This represents 100% of the share capital.

The principal activity of that Company is the operation of the Museum's shop. Its trading results for the year, as extracted from the financial statements, are as follows:

	2021 £	2020 £
Turnover	93,322	185,503
Cost of Sales	(71,824)	(130,845)
Staff costs	(44,632)	(41,313)
Government grants	17,158	4,932
Depreciation	(253)	(307)
Other charges	(6,443)	(8,113)
Taxation	-	-
Gift Aid donation	-	(9,857)
Net (Loss)/Profit	<u>(12,672)</u>	<u>-</u>
Share Capital	1	1
Shareholder's Deficit	<u>(13,742)</u>	<u>(1,070)</u>

**THE ROYAL SIGNALS MUSEUM**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**11 DEBTORS**

	2021	2020
	£	£
Amounts due from Subsidiary	37,223	62,215
Amount due from Related Charity	168,183	140,120
Other Debtors	1,942	9,808
Prepayments	-	-
	<u>207,348</u>	<u>212,143</u>

The amount due from the subsidiary is repayable upon demand and carries interest at 1% (1% in 2020).

**12 CREDITORS - Amount falling due within one year**

	2021	2020
	£	£
Trade Creditors	378	830
Social Security and Other Taxes	4,680	4,350
Accruals and Provisions	64,149	61,745
	<u>69,207</u>	<u>66,925</u>

**13 UNRESTRICTED FUNDS**

	1 January 2021	Movements in Year Income Expenditure	31 December 2021
	£	£ £	£
Designated Asset Funds			
Fixed Asset Fund	333,326	- (16,666)	316,660
Other Assets Fund	6,011	- (4,007)	2,004
	<u>339,337</u>	<u>- (20,673)</u>	<u>318,664</u>
General Fund	291,921	137,619 (118,488)	311,052
	<u>631,258</u>	<u>137,619 (139,161)</u>	<u>629,716</u>
	1 January 2020	Movements in Year Income Expenditure	31 December 2020
	£	£ £	£
Designated Asset Funds			
Fixed Asset Fund	350,870	- (17,544)	333,326
Other Assets Fund	13,081	- (7,070)	6,011
Designated Expenditure Fund	-	- -	-
	<u>363,951</u>	<u>- (24,614)</u>	<u>339,337</u>
General Fund	286,435	150,796 (145,310)	291,921
	<u>650,386</u>	<u>150,796 (169,924)</u>	<u>631,258</u>

**Designated Asset Funds**

The Asset Funds represent the depreciated asset values that have been funded by external Grants and Donations, and are adjusted by the annual depreciation charges.

Fixed Asset Fund - the depreciated value of the museum building and its fixtures and fittings.

Other Assets Fund - other assets which have been capitalised at cost or valuation (if donated).

see note 8.

**General Fund**

This is the total of uncommitted accumulated surpluses and deficits from prior periods.



**THE ROYAL SIGNALS MUSEUM**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**14 RESTRICTED FUNDS**

	1 January 2021	Movements in Year		31 December 2021
	£	Income	Expenditure	£
Medal Gallery Refurbishment Project	1,135	-	-	1,135
Donations for Specific Purposes	3,758	500	-	4,258
Corps Grant and Grant in Aid	-	116,697	(116,697)	-
	<u>4,893</u>	<u>117,197</u>	<u>(116,697)</u>	<u>5,393</u>

	1 January 2020	Movements in Year		31 December 2020
	£	Income	Expenditure	£
Medal Gallery Refurbishment Project	1,135	-	-	1,135
Donations for Specific Purposes	-	3,758	-	3,758
Corps Grant and Grant in Aid	-	124,079	(124,079)	-
	<u>1,135</u>	<u>127,837</u>	<u>(124,079)</u>	<u>4,893</u>

**Medal Gallery Refurbishment Project**

Donations received for the Medal Gallery Refurbishment Project.

**Corps Grant and Grant in Aid**

Grants to cover some payroll costs and museum enhancements.

**15 RELATED PARTY TRANSACTIONS**

	2021	2020
	£	£
<b>a</b> The Charity is related to The Royal Signals Museum Trading Company Limited, its subsidiary.		
At the year end the amount receivable amounted to	<u>37,223</u>	<u>62,215</u>
The movement in this debt consisted of the net effect of both receipts and payments by each Company on behalf of the other, and included:		
Provision for slow moving and redundant shop stock	-	20,000
Increase arising from interest due from the Trading Company	477	803
Charitable Donation from the Trading Company	<u>-</u>	<u>9,857</u>
<b>b</b> The Charity is also related to the Royal Signals Charity (an unincorporated charity) due to their related objectives and activities.		
At the year end the amount receivable amounted to	<u>168,183</u>	<u>140,120</u>
During the year grants were received amounting to	<u>110,000</u>	<u>110,000</u>

**16 ALLOCATION OF NET ASSETS**

The restricted funds of £5,393 (2020: £4,893) are held as cash balances and the unrestricted funds are represented by all the other assets and liabilities.

