

**The Corps of Royal Electrical and  
Mechanical Engineers Museum  
Report and Audited Financial Statements  
31 December 2021**



## The Corps of Royal Electrical and Mechanical Engineers Museum

### Reference and administrative details

For the year ended 31 December 2021

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**Charity number** 272740

**Registered office and operational address** The REME Charity, RHQ REME  
The Prince Philip Barracks  
MoD Lyneham  
Lyneham  
Chippenham  
SN15 4XX

**Trustees** The trustees who served during the year and up to the date of this report were as follows:

*The REME Charity - sole corporate trustee*

Trustees of The REME Charity:  
Maj Gen S M Andrews CBE Chairman  
Col M J A Bullard MBE  
Col (Retd) R Fram MC  
Mr A P Graham  
Capt PCD Hembury  
Col C P Phillips CBE  
Mrs C C Riley  
Col A J Rogers ADC  
Col D G Scott  
Col M A Simpson QVRM TD VR

**Principal staff**

Lt Col (Retd) M J Tizard	Corps Secretary and Chief Executive Officer (resigned June 2021)
Mrs Babs Harris	Chief Executive Officer (appointed August 2021)
Major (Retd) R J Henderson	Museum Director

**Bankers** Holts Farnborough Branch  
Royal Bank of Scotland Plc  
Lawrie House  
Victoria Road  
Farnborough  
GU14 7NR

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

## **The Corps of Royal Electrical and Mechanical Engineers Museum**

### **Reference and administrative details**

#### **For the year ended 31 December 2021**

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<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD
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## **The Corps of Royal Electrical and Mechanical Engineers Museum**

### **Report of the trustees**

#### **For the year ended 31 December 2021**

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The trustees present their report along with 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 accounts and comply with the charity's Trust Deed, the Charities Act 2016, the Charities (Accounts and Reports) Regulations, and the Charities Statement of Recommended Practice (FRS102) effective 1 January 2019.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The REME Museum appointed The REME Charity as its sole corporate trustee on 7 June 2016. First registered on 10 December 1976, the Governing Document was a Trust Deed; unincorporated association, which was varied by scheme on 28 April 1998 and further amended by scheme on 7 June 2016.

#### **Background**

The REME Museum was first established in 1958 and was located in Moat House in Arborfield. Later the REME Museum was expanded and the collection was held over two locations, the main museum moved from Moat House to a new location in Hazebrouck Barracks in Arborfield and a vehicle collection was established in Prince Phillip Barracks in Bordon. In November 2015, and as part of the larger Defence Technical Training Change Programme move, the REME Museum relocated to its current location in MoD Lyneham. The main collection is held in Building 311 and the reserve vehicle collection is held in building 184, a hangar at A site.

#### **Recruitment and appointment of trustees**

Trustees are selected by virtue of their knowledge, experience and expertise and are invited onto the board of trustees after recommendation. They are encouraged to keep themselves up to date with current regulatory, reporting and compliance related matters thereby enabling them to fulfil their obligations. Succession plans are in place to ensure the board remains current and effective. There were no changes to the board of trustees in 2021.

#### **Organisational structure and governance**

The board of trustees is an independent decision making governing body which meets at least twice a year. The board consists of 10 trustees led by a Chairman. Trustees are given responsibility for different areas of the business, with the Museum having a dedicated trustee. The Museum Development Committee meets twice yearly and short, medium, and long term plans are reviewed. The execution of the day to day running of the business is delegated to Museum Director.

#### **Relationships with other charities**

The Museum Fund is a designated fund within The REME Charity, which has the responsibility for governance, invests the Museum's reserves, provides an annual grant and employs the museum staff. The Museum Development Fund raises its own income through donations, independently of The REME Charity.

## **The Corps of Royal Electrical and Mechanical Engineers Museum**

### **Report of the trustees**

**For the year ended 31 December 2021**

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#### **Risk management**

The REME Charity maintains a risk register which includes risk to the Museum and is reviewed annually. Risks are categorised in five main areas, Impact, Financial Sustainability, Compliance, Operational and Hazards and Reputation. The REME Museum is dependent on MOD support for staff wages and its building infrastructure and support from The REME Charity. If the MoD funded Grant in Aid ceased and the MOD decided to charge rent for the building, this would have significant impact on the Museum's ability to operate profitably. The Museum is working to become self-sufficient but in the short term, has the financial backing of The REME Charity.

#### **OBJECTS AND ACTIVITIES**

##### **Public benefit**

The trustees have had regard to the Charity Commission's guidance on public benefit. The REME Museum provides public benefit by educating the visitors about the character, activities and history of the British Army and specifically the Corps of REME. It does this by telling a compelling story of those who served in the REME, by providing a community hub to build and strengthen the links between the military and civilian communities, and by providing a place of education for soldiers and school children.

##### **Object**

The defined object of the REME Museum is to uphold the traditions of the Corps of REME and to perpetuate its deeds.

The REME Museum fulfils its object by holding and maintaining the Corps Collections and ensuring that new members of the Corps are educated in its history. It accurately accounts for all items in the collections and ensures appropriate security measures are in place. It shares its history through loans to other museums and through allowing the general public access to its collections and/or historical records.

##### **2021 themes and activities**

Due to COVID-19 government direction, the Museum was unable to open from January 2021 until 18 May 2021. Even after opening, the Museum was still operating under restrictions until 19 July 2021. The impact was that many of our pre-planned events and activities had to be cancelled or postponed. The following was achieved:

a) **Education.** School visits were severely affected by the pandemic after reopening. A number of planned visits were cancelled at short notice due to outbreaks within schools or lack of school staff. After the Museum's reopening, the Museum Development Manager was able to resume delivery of the weekly presentations to military students at MOD Lyneham. Providing a brief on the Corps heritage and the part the REME Museum plays in promoting and preserving it;

b) **Electronic Point of Sales (EPOS).** The Museum installed a EPOS system and also introduced online ticket booking, using the Museum's website using DigiTickets software;

c) **Reputation.** The Museum was awarded the VisitEngland Hidden Gem Accolade for an incredible fourth year in a row. The Museum was also awarded the Trip Advisor Travellers' Choice award 2021. BBC Radio Wiltshire selected the Museum to be the venue to display the 'Remembering Together' poppy mosaic which was unveiled on the reopening of 18 May;

## **The Corps of Royal Electrical and Mechanical Engineers Museum**

### **Report of the trustees**

#### **For the year ended 31 December 2021**

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d) **Social Media.** The Museum has built on the good work achieved during lockdown in 2020, with the newly appointed Museum Assistant taking on responsibility for the co-ordination of all the Museum's social media posts;

e) **Play Park.** The Museum installed and formally opened its new children's Play Park in June 2021. The play park caters for children aged 3-9 and has fully inclusive play equipment. It was supported by a £20,000 grant from the Armed Forces Covenant Trust Fund with the remaining funds paid from the REME Museum Development Fund;

f) **Events.** After 19 July, the Museum was able to host events once again. The Museum's Wartime Britain and Model show events were both very well attended. The last event of the year, the Christmas Market, was unfortunately affected by the weather (snow and ice) which prevented all stall holders and visitors getting to the Museum; and

g) **Collections care.** We have continued to conduct environmental monitoring throughout 2021. The evidence collected is being used to produce a report and recommendations for improvements to the Museum's internal environment. A plan with costings has been produced to improve the storage of the reserve weapons collection in the Armoury in camp.

#### **Strategies to achieve objects**

The trustees make an annual estimate of the likely financial call on the Museum based upon historical data and a planned budget. Due to the COVID-19 pandemic, many of the assumptions made in the planning could not be realised and a larger than normal grant amounting to £60,566 (2020: £47,160) from The REME Charity was required. Income to the Museum Development Fund comes from donations to the Gold Card scheme. The scheme is open to serving members of REME and provides free admission for life for the individual concerned and their family, in return for a small monthly donation over four years. These income strategies enable the object to be met.

#### **Significant charitable activities**

The COVID-19 pandemic vastly reduced the activities that could be undertaken. The Museum was able to launch its temporary exhibition in November entitled 'HRH Prince Philip', a collection of memories of His Royal Highness' time as the Corps Colonel in Chief.

### **ACHIEVEMENTS AND PERFORMANCE**

#### **Performance management**

The REME Museum recognises the importance of managing performance and it does this by measuring a number of key areas and setting targets in the annual plan. As in 2020, the COVID-19 pandemic has made it difficult to make any comparisons from previous years. Nevertheless, data was recorded across many areas including; the number of visitors, the income generated, museum expenditure, the number of research queries from the public and the number and value of losses from the collections.

## **The Corps of Royal Electrical and Mechanical Engineers Museum**

### **Report of the trustees**

#### **For the year ended 31 December 2021**

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##### **2021 performance**

The closure and restrictions imposed on the Museum due to COVID-19 had a considerable impact on the recorded performance figures. The Museum received a total of 7,426 visitors and generated a total income of £31,376. The Museum received 559 email enquiries. The Archives department dealt with a total of 477 research enquiries, 70 carried over from 2020 and further 407 received in 2021. A total of 180 new items were added to the collections with no reported losses. The Museum's educational programme delivered formal education workshops to 691 school pupils accompanied by 81 teachers and teaching assistants. A further 22 pupils received an education workshop virtually.

##### **Performance achieved against fundraising target**

The Museum Development Fund raised £97,487 through the Gold Card Scheme and the Museum generated a further £33,580 from admissions, research and corporate hire. The Museum Development fund exceeded its income targets, all other areas were down due to the pandemic.

##### **Factors outside of the charity's control**

The enforced closure and operational restrictions due to the COVID-19 pandemic had a considerable affect on the Museum's operation during 2021.

##### **Infrastructure**

The lifting of the vinyl flooring throughout the Museum's galleries is still a cause for concern. The Museum has had an independent inspection carried out and is awaiting costings for a number of recommended options to rectify. The Museum will be forwarding the finalised reports to both the Garrison Support Unit and the Defence Infrastructure Organisation, as well as The REME Charity, for consideration. The upgrades to the fire alarms and emergency lighting were completed in the year. Whilst a formal lease has yet to be received, the Museum does have a signed letter from the MoD stating that terms have been agreed for a 30 year lease by the Secretary of State for Defence and the lease is in the process of being concluded.

## **FINANCIAL REVIEW**

##### **Reserves policy**

The trustees' policy is not to keep a reserve in the Museum Fund because the Fund is essentially underwritten by The REME Charity. However, The REME Charity does not underwrite the Museum Development Fund. The trustees have decided to restrict expenditure from this fund to mounting exhibitions and the purchase of portable items in order to consolidate and improve the museum in Lyneham. The trustees assess that maintaining cash reserves of at least £100k would be an appropriate planning figure at present to meet this requirement.

##### **Funding sources**

The REME Charity (registered number 1165868) provides a grant to assist with the operational costs for the REME Museum and to ensure its continued operation. The REME Charity also manages an investment portfolio of which the Museum has an aliquot shareholding of 2.4459% (2020: 2.4827%); quarterly dividends are received. Grant in Aid, admissions, room rental and archival research provide other revenue and the Gold Card Scheme provided funding for the Development Fund.

Income for the year totalled £442,619 (2020: £435,352) This is split between the Development Fund and the Museum Fund as follows:

## **The Corps of Royal Electrical and Mechanical Engineers Museum**

### **Report of the trustees**

#### **For the year ended 31 December 2021**

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Museum Fund income for the year totalled £333,152 (2020: £311,051) and included £178,374 MoD Grant in Aid (2020: 179,511), £32,916 (2020: £22,014) in admission and corporate entertainment fees, £664 (2020: £1,455) in research fees, £1,895 (2020: £1,889) in education fees, £60,566 (2020: £47,160) in grants from The REME Charity and other grants and donations of £10,812 (2020: £9,594), as well as services and facilities donated by MoD of £47,926 (2020: £49,428).

Development Fund income (including restricted funds) for the year totalled £109,467 (2020: £124,301). The Museum Gold Card Scheme is a free admission membership scheme which serving officers' and soldiers' can volunteer for. A small monthly donation is collected over a 4 year period and is placed in the Museum Development Fund. Other income comprised investment income of £11,429 (2020: £8,150) and grants, donations, other trading income and bank interest of £551 (2020: £306).

#### **Expenditure**

Expenditure for the year totalled £461,158 (2020: £410,232). This is split between the Development Fund and the Museum Fund as follows:

Museum Fund expenditure totalled £333,152 (2020: £322,482) and includes depreciation of £2,770 (2020: £11,431), staff costs (including salaries, donated staff time and freelance staff costs) of £278,189 (2020: £267,698), donated facilities costs of £29,473 (2020: £27,963) and other expenditure of £22,720 (2020: £15,390), which includes expenditure on displays and exhibitions, children's educational activities and other office and premises costs. Staff costs are supported by the Grant in Aid donation from MoD of £178,374 (2020: £179,511).

Development Fund expenditure (including restricted funds) totalled £128,006 (2020: £87,750) and includes depreciation of £49,289 (2020: £47,020), contractor costs of £6,630 (2020: £7,718), advertising and marketing costs of £6,063 (2020: £6,741) and other expenditure of £66,024 (2020: £26,271) which includes expenditure on exhibits, small equipment, IT, website and other office expenses.

#### **Investment policy**

The Museum Development Fund has an investment aliquot share of 2.4459% in The REME Charity portfolio and follows their investment policy.

#### **COVID-19**

The trustees have considered the impact that the COVID-19 pandemic will have on the charity's current and future financial position. The charity holds unrestricted, general reserves of £2.8m, designated reserves that can be drawn down if necessary of £468k and a cash balance of £130k. The trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1(b) to the financial statements.

#### **PLANS FOR FUTURE PERIODS**

##### **Future aims, objectives and planned outputs**

The Museum has now been open for 4 and a half years since relocating. Our future aims are based around the following areas:

a) Increasing visibility and visitor numbers; the Museum is having a new quad fold leaflet produced and plans to have it distributed in all major outlets with a 45-minute drive time from the Museum. The Museum will use Pear Distribution to achieve this;



## **The Corps of Royal Electrical and Mechanical Engineers Museum**

### **Report of the trustees**

#### **For the year ended 31 December 2021**

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b) New additions; we are planning to provide an Anderson shelter large enough to accommodate a school class to enhance the WWII history education workshop. To accompany the workshop module will be a large Dig for Victory garden, and the vegetables grown will be donated to Museum's café to use;

c) External Sculpture; the Museum did hold a number of explorative meetings during 2021. It is planned to continue the progress made during 2022 to result in the creation of a sculpture. This should be bold, contemporary with an enduring visual impact that causes people to pause and think, whilst simultaneously conveying the fact that it is a 'sign/landmark' for the REME Museum;

d) We have been invited to attend a number of external events and shows in 2022. The most significant of which is the Royal British Legion 40th anniversary of the end of the Falklands Conflict. This will be a special commemorative event at the National Memorial Arboretum in Staffordshire and the Museum has been invited to provide a display stand and vehicles; and

e) The Museum is extending its events programme to 8 events for 2022 along with 3 school half term weeks, Easter activities and summer holidays activities. The events are expected to entice a number of visitors from different elements of society which will not only generate more income but expose a wider audience to the history and stories of the Corps.

#### **STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those 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;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. The trustees 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.

## **The Corps of Royal Electrical and Mechanical Engineers Museum**

### **Report of the trustees**

#### **For the year ended 31 December 2021**

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

#### **Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 21 April 2022 and signed on their behalf by



Maj Gen S M Andrews CBE - Chairman of Trustees

## **Independent auditors' report**

### **To the members of**

#### **The Corps of Royal Electrical and Mechanical Engineers Museum**

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##### **Opinion**

We have audited the financial statements of The Corps of Royal Electrical and Mechanical Engineers Museum (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its 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 Charities Act 2011.

##### **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 charity 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 charity'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.

## **Independent auditors' report**

### **To the members of**

#### **The Corps of Royal Electrical and Mechanical Engineers Museum**

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

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

## **Independent auditors' report**

### **To the members of**

#### **The Corps of Royal Electrical and Mechanical Engineers Museum**

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##### **Our responsibilities for the audit of the financial statements**

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

- (1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.
- (2) We reviewed the charity's policies and procedures in relation to:
  - Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
  - Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.
- (3) We inspected the minutes of trustee meetings.
- (4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.
- (5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.
- (6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.
- (7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:
  - Testing the appropriateness of journal entries;
  - Assessing judgements and accounting estimates for potential bias;
  - Reviewing related party transactions; and
  - Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Independent auditors' report**

### **To the members of**

### **The Corps of Royal Electrical and Mechanical Engineers Museum**

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Godfrey Wilson Limited*

Date: 21 April 2022

### **GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

# The Corps of Royal Electrical and Mechanical Engineers Museum

## Statement of financial activities

For the year ended 31 December 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
<b>Income from:</b>					
Donations	3	-	395,310	<b>395,310</b>	381,615
Charitable activities	4	-	34,328	<b>34,328</b>	44,296
Other trading activities	5	-	1,540	<b>1,540</b>	1,062
Investments	6	-	11,441	<b>11,441</b>	8,379
<b>Total income</b>		-	442,619	<b>442,619</b>	435,352
<b>Expenditure on:</b>					
Raising funds		-	7,992	<b>7,992</b>	11,111
Charitable activities		1,211	451,955	<b>453,166</b>	399,121
<b>Total expenditure</b>	8	1,211	459,947	<b>461,158</b>	410,232
<b>Net income</b>		(1,211)	(17,328)	<b>(18,539)</b>	25,120
Transfers between funds		(18,500)	18,500	-	-
<b>Other recognised gains</b>					
Gains/(losses) on revaluation of heritage assets		-	(89)	<b>(89)</b>	(166)
<b>Net movement in funds</b>	9	(19,711)	1,083	<b>(18,628)</b>	24,954
<b>Reconciliation of funds:</b>					
Total funds brought forward		22,281	3,309,432	<b>3,331,713</b>	3,306,759
<b>Total funds carried forward</b>		2,570	3,310,515	<b>3,313,085</b>	3,331,713

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the accounts.

# The Corps of Royal Electrical and Mechanical Engineers Museum

## Balance sheet

As at 31 December 2021

	Note	£	2021 £	2020 £
<b>Fixed assets</b>				
Tangible assets	12		239,879	191,237
Heritage assets	13		<u>2,712,484</u>	<u>2,752,713</u>
			<b>2,952,363</b>	2,943,950
<b>Current assets</b>				
Debtors	14	241,578		230,861
Cash at bank and in hand		<u>129,600</u>		<u>164,917</u>
		<b>371,178</b>		395,778
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	15	<u>(10,456)</u>		<u>(8,015)</u>
<b>Net current assets</b>			<u><b>360,722</b></u>	<u>387,763</u>
<b>Net assets</b>	16		<u><b>3,313,085</b></u>	<u><b>3,331,713</b></u>
<b>Funds</b>	17			
Restricted funds			2,570	22,281
Unrestricted funds				
Designated funds			467,633	484,961
General funds			<u>2,842,882</u>	<u>2,824,471</u>
<b>Total charity funds</b>			<u><b>3,313,085</b></u>	<u><b>3,331,713</b></u>

Approved by the trustees on 21 April 2022 and signed on their behalf by



Maj Gen S M Andrews CBE - Chairman of Trustees



## **The Corps of Royal Electrical and Mechanical Engineers Museum**

### **Notes to the financial statements**

**For the year ended 31 December 2021**

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#### **1. Accounting policies**

##### **a) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in 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).

The Corps of Royal Electrical and Mechanical Engineers Museum 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 note.

##### **b) Going concern basis of accounting**

The accounts have been prepared on the assumption that the charity is able to continue as a going concern despite the ongoing impact of the Covid-19 pandemic. As described in the trustees annual report, the pandemic has meant that the museum has had to close to the public for significant periods in the year which has resulted in a substantial reduction in admission revenue. The charity holds unrestricted, general reserves of £2.8m, designated reserves that can be drawn down if necessary of £468k and a cash balance of £130k. For these reasons the trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

##### **c) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

##### **d) Donated services and facilities**

Donated professional services and donated facilities are recognised as income 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 by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, 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 expenditure in the period of receipt.

##### **e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

# The Corps of Royal Electrical and Mechanical Engineers Museum

## Notes to the financial statements

For the year ended 31 December 2021

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### 1. Accounting policies (continued)

#### f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

#### g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the proportion of total costs basis:

	2021	2020
Raising funds	1.7%	2.7%
Charitable activities	98.3%	97.3%

#### i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Furniture and equipment	4 to 10 years straight line basis
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Items of equipment are capitalised where the purchase price exceeds £2,000.

#### j) Heritage assets

The charity is the repository of thousands of items, the majority of which have been donated over many years both by individuals and by regimental units that have been closed. Most of the items held are either donated to the Museum or gifted by the Ministry of Defence. Items are recorded at cost when an acquisition has been made by purchase. The valuation of such a diverse and varied collection and the lack in many cases of comparable market values has meant an equally diverse approach in obtaining valuations which are by their nature subjective. It has been necessary to use many sources of valuation expertise. These have included professional valuations as in the case of the small arms collection, guidance from the National Army Museum and recourse to the many web sites, trade magazines, auction houses and professional catalogues covering different aspects of the collection. The trustees have valued the heritage assets where available by reference to these experts, however valuations are often informal and no written valuations are available. The assets are considered to have indeterminate lives and the trustees therefore do not consider it appropriate to charge depreciation.

## **The Corps of Royal Electrical and Mechanical Engineers Museum**

### **Notes to the financial statements**

**For the year ended 31 December 2021**

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#### **1. Accounting policies (continued)**

##### **k) Debtors**

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

##### **l) Cash at bank and in hand**

Cash at bank and cash 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.

##### **m) 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### **n) Financial instruments**

The trust 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 with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### **o) Pension costs**

The charity's payroll is operated by The REME Charity (the parent charity) which operates a defined contribution pension scheme for the employees. There are no further liabilities other than that already recognised in the SOFA.

##### **p) Accounting estimates and key judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### **Depreciation**

As described in note 1i to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

##### **Valuation of heritage assets**

The charity's heritage assets are stated at their estimated fair value as disclosed in note 1j and note 13.

**The Corps of Royal Electrical and Mechanical Engineers Museum**

**Notes to the financial statements**

**For the year ended 31 December 2021**

**2. Prior period comparatives: statement of financial activities**

	Restricted £	Unrestricted £	2020 Total £
<b>Income from:</b>			
Donations	-	381,615	381,615
Charitable activities	20,000	24,296	44,296
Other trading activities	-	1,062	1,062
Investments	-	8,379	8,379
<b>Total income</b>	<u>20,000</u>	<u>415,352</u>	<u>435,352</u>
<b>Expenditure on:</b>			
Raising funds	-	11,111	11,111
Charitable activities	<u>1,500</u>	<u>397,621</u>	<u>399,121</u>
<b>Total expenditure</b>	<u>1,500</u>	<u>408,732</u>	<u>410,232</u>
<b>Net income</b>	<u>18,500</u>	<u>6,620</u>	<u>25,120</u>
Transfers between funds	-	-	-
<b>Other recognised gains</b>			
Gains on revaluation of heritage assets	<u>-</u>	<u>(166)</u>	<u>(166)</u>
<b>Net movement in funds</b>	<u>18,500</u>	<u>6,454</u>	<u>24,954</u>

# The Corps of Royal Electrical and Mechanical Engineers Museum

## Notes to the financial statements

For the year ended 31 December 2021

### 3. Income from donations

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
MoD Grant-In-Aid	-	178,374	<b>178,374</b>	179,511
Serving officers and soldiers (Gold Card)	-	97,487	<b>97,487</b>	95,845
Donated services and facilities*	-	47,926	<b>47,926</b>	49,428
The REME Charity	-	60,566	<b>60,566</b>	47,160
Donated heritage assets	-	2,520	<b>2,520</b>	2,286
Individuals	-	1,143	<b>1,143</b>	210
Coronavirus Job Retention Scheme	-	7,294	<b>7,294</b>	7,157
Others	-	-	<b>-</b>	18
<b>Total income from donations</b>	<b>-</b>	<b>395,310</b>	<b>395,310</b>	<b>381,615</b>

All income from donations in the prior year was unrestricted.

\* Donated services and facilities consists of:

	2021 Total £	2020 Total £
Donated staff time	<b>18,452</b>	21,465
Donated facilities - office premises	<b>12,484</b>	11,844
Donated facilities - utilities and office equipment	<b>16,990</b>	16,119
	<b>47,926</b>	49,428

# The Corps of Royal Electrical and Mechanical Engineers Museum

## Notes to the financial statements

For the year ended 31 December 2021

### 4. Income from charitable activities

	Restricted £	Unrestricted £	2021 Total £
Museum admissions	-	31,376	<b>31,376</b>
Children's activities	-	1,895	<b>1,895</b>
Research	-	664	<b>664</b>
Grants	-	393	<b>393</b>
<b>Total income from charitable activities</b>	<b>-</b>	<b>34,328</b>	<b>34,328</b>

### Prior period comparative

	Restricted £	Unrestricted £	2020 Total £
Museum admissions	-	20,952	<b>20,952</b>
Children's activities	-	1,889	<b>1,889</b>
Research	-	1,455	<b>1,455</b>
Grants	20,000	-	<b>20,000</b>
	<b>20,000</b>	<b>24,296</b>	<b>44,296</b>

### 5. Income from other trading activities

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Corporate entertainment and room hire	-	1,540	<b>1,540</b>	1,062

All income from other trading activities in the prior year was unrestricted.

### 6. Investment income

Investment income includes interest earned on cash held in deposit accounts and investments by The REME Charity on behalf of the charity. At 31 December 2021 The REME Charity's investments balance, reported in those accounts as 'Aliquot shares', includes a total market value of £350,602 (2020: £318,406) held on behalf of the charity. The charity's share of income generated by the investments was £11,429 (2020: £8,150). Interest earned on cash held in deposit accounts was £12 (2020: £229).

## The Corps of Royal Electrical and Mechanical Engineers Museum

### Notes to the financial statements

#### For the year ended 31 December 2021

#### 7. Government grants

The charity receives government grants, defined as funding from the Ministry of Defence to fund charitable activities and grants from the Coronavirus Job Retention Scheme. The total value of such grants in the period ending 31 December 2021 was £185,668 (2020: £186,668). There are no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

#### 8. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Staff costs (note 10)	6,630	259,736	18,452	<b>284,818</b>
Other staff costs	-	1,001	-	<b>1,001</b>
Displays and exhibits	-	544	-	<b>544</b>
Materials, maintenance and repairs	-	9,698	1,004	<b>10,702</b>
Subscriptions	-	1,482	-	<b>1,482</b>
Software and website costs	-	8,891	1,211	<b>10,102</b>
Facilities - building	-	-	12,484	<b>12,484</b>
Facilities - utilities and office equipment	-	-	16,990	<b>16,990</b>
Cleaning	-	-	9,153	<b>9,153</b>
Other office costs	-	-	8,090	<b>8,090</b>
Advertising and marketing	-	-	6,123	<b>6,123</b>
Legal and professional	-	-	5,100	<b>5,100</b>
Loss on disposal of heritage assets	-	42,510	-	<b>42,510</b>
Depreciation	-	52,059	-	<b>52,059</b>
<b>Sub-total</b>	<b>6,630</b>	<b>375,921</b>	<b>78,607</b>	<b>461,158</b>
Allocation of support and governance costs	<u>1,362</u>	<u>77,245</u>	<u>(78,607)</u>	<u>-</u>
<b>Total expenditure</b>	<b><u>7,992</u></b>	<b><u>453,166</u></b>	<b><u>-</u></b>	<b><u>461,158</u></b>

Total governance costs were £5,100 (2020: £4,920).

# The Corps of Royal Electrical and Mechanical Engineers Museum

## Notes to the financial statements

For the year ended 31 December 2021

### 8. Total expenditure (continued)

#### Prior year comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Cost of events	1,477	-	-	1,477
Staff costs (note 10)	7,718	246,233	21,465	275,416
Other staff costs	-	183	-	183
Displays and exhibits	-	4,019	-	4,019
Materials, maintenance and repairs	-	13,276	351	13,627
Subscriptions	-	2,074	-	2,074
Software and website costs	-	6,070	-	6,070
Facilities - building	-	-	11,844	11,844
Facilities - utilities and office equipment	-	-	16,119	16,119
Cleaning	-	-	2,556	2,556
Other office costs	-	-	6,465	6,465
Advertising and marketing	-	-	7,011	7,011
Legal and professional	-	-	4,920	4,920
Depreciation	-	58,451	-	58,451
<b>Sub-total</b>	<b>9,195</b>	<b>330,306</b>	<b>70,731</b>	<b>410,232</b>
Allocation of support and governance costs	1,916	68,815	(70,731)	-
<b>Total expenditure</b>	<b>11,111</b>	<b>399,121</b>	<b>-</b>	<b>410,232</b>



# The Corps of Royal Electrical and Mechanical Engineers Museum

## Notes to the financial statements

### For the year ended 31 December 2021

#### 9. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Depreciation	52,059	58,451
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Auditors' remuneration:		
▪ Statutory audit (including VAT)	5,100	4,920

#### 10. Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Staff salaries recharged by The REME Charity	259,736	246,233
Donated staff costs	18,452	21,465
Freelance staff	6,630	7,718
	<u>284,818</u>	<u>275,416</u>

No employee earned more than £60,000 during the year.

The key management personnel of the charity comprise the Trustees, the CEO and Museum Director.

The total employee remuneration of the key management personnel paid by the charity and recognised as a gift in kind were £42,846 and £1,185 respectively (2020: £41,604 and £2,732).

	2021 No.	2020 No.
Average head count	<u>13.00</u>	<u>13.00</u>

#### 11. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**The Corps of Royal Electrical and Mechanical Engineers Museum**

**Notes to the financial statements**

**For the year ended 31 December 2021**

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**12. Tangible fixed assets**

	<b>Total £</b>
<b>Furniture and equipment</b>	
<b>Cost</b>	
At 1 January 2021	836,528
Additions in year	<u>100,701</u>
At 31 December 2021	<u>937,229</u>
<b>Depreciation</b>	
At 1 January 2021	645,291
Charge for the year	<u>52,059</u>
At 31 December 2021	<u>697,350</u>
<b>Net book value</b>	
<b>At 31 December 2021</b>	<u><u>239,879</u></u>
At 31 December 2020	<u><u>191,237</u></u>

## The Corps of Royal Electrical and Mechanical Engineers Museum

### Notes to the financial statements

#### For the year ended 31 December 2021

#### 13. Heritage assets

	Documentary Archive £	Medals £	Models £	Pictorial Archive £	Vehicles £	Weapons £	Other £	Total £
Brought forward at 1 January 2021	59,441	159,270	211,515	190,680	1,526,700	452,800	152,307	<b>2,752,713</b>
Acquisitions	35	1,022	500	100	-	30	683	<b>2,370</b>
Disposals	-	-	-	(42,500)	-	-	(10)	<b>(42,510)</b>
Revaluations	-	(28)	(100)	40	-	-	(1)	<b>(89)</b>
Carried forward at 31 December 2021	<u>59,476</u>	<u>160,264</u>	<u>211,915</u>	<u>148,320</u>	<u>1,526,700</u>	<u>452,830</u>	<u>152,979</u>	<b><u>2,712,484</u></b>

All heritage assets are deemed to be measured at valuation. The majority of heritage assets are donated items which are recognised on receipt at valuation. There is insufficient data available to disclose those assets measured at cost however the amount held at cost is a minor proportion of the total heritage assets.

#### Five year financial summary of heritage asset transactions:

	2021 £	2020 £	2019 £	2018 £	2017 £
<b>Additions</b>					
Purchases	-	340	-	500	-
Donations	<b>2,370</b>	2,286	2,231	2,627	1,813
Total additions	<b><u>2,370</u></b>	<u>2,626</u>	<u>2,231</u>	<u>3,127</u>	<u>1,813</u>
<b>Disposals</b>					
Carrying value	<b>42,510</b>	-	-	-	10,415
Sales proceeds	-	-	-	-	-
<b>Revaluation</b>	<b><u>(89)</u></b>	<u>(166)</u>	<u>716,185</u>	<u>-</u>	<u>4,525</u>

## The Corps of Royal Electrical and Mechanical Engineers Museum

### Notes to the financial statements

For the year ended 31 December 2021

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#### 13. Heritage assets (continued)

The REME Museum of Technology was established in 1958 to house and preserve the heritage of the Corps of Royal Electrical and Mechanical Engineers. The Museum aims to promote a broader understanding of the functions of the Corps, its interaction with society and its role in providing equipment engineering support to the Army. It also provides an information resource for members of the Corps, researchers, educationalists and general public.

The collection which has been built up over many years reflects the wide range of equipment for which the Corps is responsible including tanks, weapons, helicopters and electronic equipment. The Museum also houses and maintains a comprehensive collection of medals, uniforms, documents and pictorial records covering the many activities of the Corps since its formation in October 1942.

The Museum follows a strict acquisition policy and only accepts items which either relate to the heritage of the Corps or clearly illustrate the changes in engineering and repair techniques associated with equipment responsibilities. Most of the items held are either donated to the Museum or gifted by the Ministry of Defence. Items are recorded at cost when an acquisition has been made by purchase.

The valuation of such a diverse and varied collection and the lack in many cases of comparable market values has meant an equally diverse approach in obtaining valuations. It has been necessary to use many sources of valuation expertise. These have included professional valuations as in the case of the small arms collection, guidance from the National Army Museum and recourse to the many web sites, trade magazines, auction houses and professional catalogues covering different aspects of the collection.

During 2013, the museum director revisited the valuations of the collections with the assistance of specialist publications and experts in the various items. During 2019 the vehicles collection was revalued using the same methods.

A full inventory is maintained of all items accessioned into the collection including valuations on the Museum's collection management database. Information provided includes the provenance and acquisition source of each item.

#### 14. Debtors

	2021 £	2020 £
Trade debtors	365	1,400
Accrued income	53,527	52,514
Due from REME Charity	<u>187,686</u>	<u>176,947</u>
	<u><u>241,578</u></u>	<u><u>230,861</u></u>

**The Corps of Royal Electrical and Mechanical Engineers Museum**

**Notes to the financial statements**

**For the year ended 31 December 2021**

**15. Creditors : amounts due within 1 year**

	<b>2021</b>	2020
	<b>£</b>	£
Accruals	<b><u>10,456</u></b>	<u>8,015</u>

**16. Analysis of net assets between funds**

	Restricted funds £	Designated funds £	General funds £	<b>Total funds £</b>
Fixed assets	-	226,029	2,726,334	<b>2,952,363</b>
Current assets	2,570	241,604	127,004	<b>371,178</b>
Current liabilities	<u>-</u>	<u>-</u>	<u>(10,456)</u>	<b><u>(10,456)</u></b>
<b>Net assets at 31 December 2021</b>	<b><u>2,570</u></b>	<b><u>467,633</u></b>	<b><u>2,842,882</u></b>	<b><u>3,313,085</u></b>
 <b>Prior year comparative</b>				
	Restricted funds £	Designated funds £	General funds £	Total funds £
Fixed assets	-	174,617	2,769,333	2,943,950
Current assets	22,281	310,344	63,153	395,778
Current liabilities	<u>-</u>	<u>-</u>	<u>(8,015)</u>	<u>(8,015)</u>
 Net assets at 31 December 2020	<b><u>22,281</u></b>	<b><u>484,961</u></b>	<b><u>2,824,471</u></b>	<b><u>3,331,713</u></b>

# The Corps of Royal Electrical and Mechanical Engineers Museum

## Notes to the financial statements

For the year ended 31 December 2021

### 17. Movements in funds

	At 1 January 2021 £	Income £	Expenditure £	Gains on revaluation of assets £	Transfers between funds £	At 31 December 2021 £
<b>Restricted funds</b>						
British Museum Project	3,781	-	(1,211)	-	-	<b>2,570</b>
Museum Play Park Fund	18,500	-	-	-	(18,500)	-
<b>Total restricted funds</b>	<b>22,281</b>	<b>-</b>	<b>(1,211)</b>	<b>-</b>	<b>(18,500)</b>	<b>2,570</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Museum Development	484,961	109,467	(126,795)	-	-	<b>467,633</b>
<i>Total designated funds</i>	<i>484,961</i>	<i>109,467</i>	<i>(126,795)</i>	<i>-</i>	<i>-</i>	<b>467,633</b>
General funds	2,824,471	333,152	(333,152)	(89)	18,500	<b>2,842,882</b>
<b>Total unrestricted funds</b>	<b>3,309,432</b>	<b>442,619</b>	<b>(459,947)</b>	<b>(89)</b>	<b>18,500</b>	<b>3,310,515</b>
<b>Total funds</b>	<b>3,331,713</b>	<b>442,619</b>	<b>(461,158)</b>	<b>(89)</b>	<b>-</b>	<b>3,313,085</b>

### Purposes of restricted funds

British Museum Project This fund represents grant funding received from Money & Medals Network to fund training for the Museum Assistant Curator.

Museum Play Park Fund This relates to a grant from The Armed Forces Covenant Fund Trust that supports community projects. In the prior year the REME Museum was granted £20,000 for the installation of a children's play park in the grounds of the Museum to benefit the REME family and wider community. The work was completed in 2021.

### Purposes of designated funds

Museum Development The museum development fund represents income and expenditure the trustees have set aside for the development of the museum over and above the day to day running.

### Transfers between funds

The transfer of funds from the Museum Play Park Fund represents capital expenditure for the children's play park that was incurred during the year.

# The Corps of Royal Electrical and Mechanical Engineers Museum

## Notes to the financial statements

For the year ended 31 December 2021

### 17. Movements in funds (continued)

Prior year comparative	At 1 January 2020 £	Income £	Expenditure £	Gains on revaluation of assets £	Transfers between funds £	At 31 December 2020 £
<b>Restricted funds</b>						
British Museum Project	3,781	-	-	-	-	3,781
Museum Play Park Fund	-	20,000	(1,500)	-	-	18,500
<b>Total restricted funds</b>	<b>3,781</b>	<b>20,000</b>	<b>(1,500)</b>	<b>-</b>	<b>-</b>	<b>22,281</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Museum development	466,910	104,301	(86,250)	-	-	484,961
<i>Total designated funds</i>	<i>466,910</i>	<i>104,301</i>	<i>(86,250)</i>	<i>-</i>	<i>-</i>	<i>484,961</i>
General funds	2,836,068	311,051	(322,482)	(166)	-	2,824,471
<b>Total unrestricted funds</b>	<b>3,302,978</b>	<b>415,352</b>	<b>(408,732)</b>	<b>(166)</b>	<b>-</b>	<b>3,309,432</b>
<b>Total funds</b>	<b>3,306,759</b>	<b>435,352</b>	<b>(410,232)</b>	<b>(166)</b>	<b>-</b>	<b>3,331,713</b>

### 18. Related party transactions

The charity's parent entity is The REME Charity (company number 10036700, charity number 1165868), incorporated in the UK. The consolidated accounts are available on the Companies House website. The registered address is the same as that of The REME Museum. The REME Charity is the controlling party and is the sole corporate trustee.

During the year the charity received donations totalling £60,566 from The REME Charity (2020: £47,160). The REME Charity operates payroll and manages transactions through their bank account for the charity. As described in note 6 to the accounts, The REME Charity also holds investments for the charity. The market value of the investments at 31 December 2021 was £350,602 (2020: £318,406). The original transfer of cash for investment is represented in the intercompany balance. At the year end £187,686 was due from The REME Charity (2020: £176,947).

During the year, approximately £4,656 (2020: £5,400) of "free charges" was donated to the REME family in research fees, entrance fees and conference room bookings.