



British Motor Industry Heritage Trust

(Limited by guarantee)

Annual Report and Financial Statements Year Ended 31 December 2020



Registered Company Number 1690117
Registered Charity Number 286575

britishmotormuseum.co.uk

BRITISH
MOTOR
MUSEUM





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TOTAL MUSEUM VISITORS



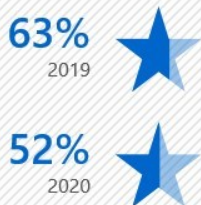
Includes Museum, Shows, Clubs, Groups and Education

EDUCATION VISITS



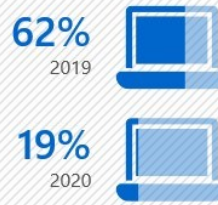
Includes Children, Teachers and Adult Learners

GIFT AID PERCENTAGE



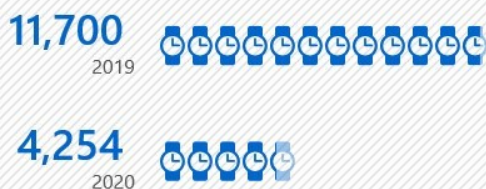
Percentage of Museum Visitor entrance income Gift Aided upon entrance to the Museum

CONFERENCE OCCUPANCY



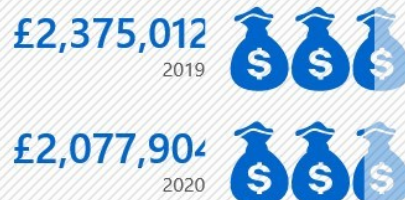
Monday to Friday Only
[2020: restrictions allowing]

VOLUNTEER HOURS



Volunteer hours utilised across the entire Charity

EQUIVALENT MEDIA EXPOSURE



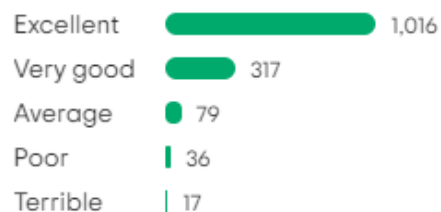
Articles and editorials in publications free of charge from press releases



Retained the Quality Assured Visitor Attraction status by VisitEngland



4.5 1,465 reviews



Rating of 4.5 on Trip Advisor, 89% (2019: 80%) of reviews rated 'Excellent'





Chairman's Message

Welcome to the annual report for the British Motor Industry Heritage Trust for the year ended December 2020.

The global pandemic ensured 2020 was a very challenging year for all businesses including the Trust which had to close its doors to the public for a significant period of the year. However, by successfully gaining and using government and other grants and greatly reducing costs I am pleased to report that the Trust remains in a financially stable position. It retains sufficient reserves to continue delivering its mission 'to preserve for the nation and future generations' whilst rebuilding its income generating businesses in 2021.

During the closed period the Trust's staff developed a suite of virtual tours, learning programmes and special exhibitions and made them available to the public to much acclaim. Thinking laterally the Trust reached out to a global audience using its technology and expertise and delivered the story of Britain's motor industry to countries around the world including Australia, New Zealand, Japan and the USA. The year also proved to be an exceptional one for awards with the Trust winning the prestigious Royal Automobile Club 2020 Collection of the Year award along with the Conference and Hospitality Show's award for Best UK Independent Conference Venue.

Throughout the year the Trust continued to develop relationships with organisations in both the private and public sectors and successfully raised its profile with government bodies and local politicians.

With the appointment of a new Managing Director in March 2020, the Trust looked to the future. A new five-year plan and site infrastructure master plan were under development and included the construction of a second Museum Collection Centre building. The building will provide an additional 4,000m² of vehicle and technology exhibition space along with an apprentice academy ensuring the transfer of vital engineering skills to the next generation. The Museum currently displays vehicles from 41 British marques and, with the new building, will have space for many more. Adding new marques will broaden the appeal of the Museum further and provide a platform to develop the British Motor Museum into the global focal point of automotive history in Britain.

The Trust also continued to develop plans to build an hotel in the grounds of the British Motor Museum. This will greatly enhance the venue for leisure and business visitors and support 120 local jobs when open.

Difficult times remain for the global economy in 2021, especially so in the culture and hospitality sectors however, the Trust has retained its skills, expertise and creative talent within the team at British Motor Museum whilst also widening the membership of the board of Trustees, bringing in a range of new skills and capability, with more to come in 2021. I am particularly delighted with the way Trustees and the management team have worked in collaboration to provide the direction and strategies that will carry the Trust forward and ensure a bright future for the British Motor Museum.

On behalf of the Board of Trustees, I would like to thank all employees and volunteers for their exceptional contributions in this difficult year.

On behalf of the Chairman

Mr K. Timms
Trustee and Chairman
29 September 2021





Trustees' Annual Report Year Ended 31 December 2020

The Trustees, who act as Directors for the purposes of the Companies Act 2006, present the annual report of the British Motor Industry Heritage Trust ("BMIHT"), together with the financial statements for the year ended 31 December 2020.

The Trustees have adopted the provisions of the Financial Reporting Standards applicable in the UK, Accounting and Reporting by Charities: Statement of Recommended Practice ("Charities SORP 2018(FRS 102)"), the Charities Act 2011 and the Companies Act 2006 in preparing the reports and the financial statements.

1. Principal Objectives and Activities

The British Motor Industry Heritage Trust is a registered charitable trust with a vision to:

"Develop the British Motor Museum into the global focal point of Britain's automotive history and one of the world's outstanding motor museums."

The mission is to:

"Collect, conserve and research for the benefit of our diverse nation and future generations, motor vehicles and archive material relating to the motor industry in Britain and to interpret the role the automotive industry plays in social, cultural, technical, economic and environmental development for a local, national and international audience."

This is achieved by continually developing the British Motor Museum at Gaydon as one of the world's outstanding accredited motor museums and a major visitor attraction providing a broad based academic and educational facility coupled to entertaining and attractive displays featuring the largest collection of British heritage cars and associated archives in the world, with over 300 cars on display in the Museum and public access Collection Centre.

The British Motor Museum also provides conferences, meetings and events within the national meetings industry, conferences and events ("MICE") and business tourism sectors, through its trading subsidiary.

With the unique selling point being the world's largest collection of British heritage cars and associated archives at a premier venue with, outdoor space and a central, easy-to-reach location with ample parking BMIHT will continue to achieve its mission.

2. Organisational Structure

BMIHT is a charitable trust with a trading subsidiary, British Motor Industry Heritage Centre Limited ("BMIHC").

BMIHT has a board of Trustees responsible for developing and implementing strategic direction, the day-to-day operation is managed by a senior leadership team of five. Further details of Trustees and senior leaders can be found in section 10.2 of the Trustees Annual Report.

BMIHT uses its trading subsidiary, BMIHC, to generate revenue to support the charitable objectives and mission. BMIHC makes gift aid donations to BMIHT from its profit.

BMIHT is organised into five main functions; curatorial; archive; learning; vehicle restoration; and, shows, clubs and groups, all of which are supported by a dedicated volunteer team. Further details of these functions' responsibilities and achievements along with future plans can be found in section 5 of the Trustees' Annual Report.

BMIHC is also organised into five main functions; conferencing, meetings, events and banqueting; workshop services; heritage certificate services; retail; and, cafeteria dining. Further details of these functions' responsibilities and achievements along with future plans can be found in section 6 of the Trustees' Annual Report.

All functions of both BMIHT and BMIHC are supported by the support functions; administration; site services; finance; marketing; and information technology, the responsibilities of which can be found in section 3 of the Trustees' Annual Report.

BMIHT is supported to achieve its objectives by a dedicated team of volunteers who help across the breadth of the organisation. They complete roles and tasks BMIHT would not be able to fund itself and complement the role of paid staff. Further details of the volunteer achievements can be found in section 4 of the Trustees' Annual Report.





Trustees' Annual Report (continued) Year Ended 31 December 2020

3. Organisational Support Functions

3.1.	Administration	Administration responsibilities include, but are not restricted to: health & safety; licences; risks; security; local authority planning; corporate social responsibilities; volunteer co-ordination; and, disaster management.
3.2.	Site Services	Site services responsibilities include, but are not restricted to: cleaning, buildings and site management; maintenance and renovation; and, cleaning and clearing the site.
3.3.	Finance	Finance responsibilities include, but are not restricted to: management accounts; audit; budgets and forecasts; insurance; reporting and analysis; risk management; and, ensuring adequate financial business controls.
3.4.	Marketing	Marketing responsibilities include, but are not restricted to: research; multi-channel/sector marketing; and, public relations and communications.
3.5.	Information Technology	Information technology responsibilities include, but are not restricted to: support and implementation of software; integration of systems; advancing internal reporting; on-line ticketing and retail systems; hardware support; and, development of the company intranet.

4. Volunteer Support

The Trust's dedicated team of volunteers remains at around 80. During 2020, just two left the group including one from the original tranche of volunteers, who sadly passed away. There were 14 volunteers who reached the milestone of five years' service.

The key activity of the volunteer group is to act as guides. The time available to volunteer as guides was severely curtailed, with only four months of opening in total. When the Museum has been open, however, the volunteers were enthusiastic to return and make their contribution.

Several activities were able to continue, with volunteers working remotely. These included oral

history, collections data entry and the preparation of new online talks about topics as varied as the Jaguar E-type, cars from film and TV and the history of the motor industry. These will be launched in 2021 and will also be available as in-person presentations.

In the latter part of the year, volunteers were able to return in person to other activities, such as helping with community groups and cataloguing in the Archive. Significantly, over 2,000 more items on the back of the Archive's National Archive funded 'Art of Selling' project, linked to advertising in the motor industry, were catalogued by the volunteer team.





Trustees' Annual Report (continued) Year Ended 31 December 2020

5. BMIHT Annual Objectives

The annual objectives of the charitable trust are to:

- Deliver temporary public exhibitions to enhance revenue and footfall to the Museum;
- Develop and deliver family friendly activities and lifelong learning packages;
- Develop and deliver a programme of educational packages;
- Conserve and protect the collection of vehicles and archives for future generations;
- Increase visitor satisfaction levels; and
- Achieve agreed sales and cost targets and exceed wherever possible.

5.1. Curatorial

Curatorial responsibilities include collections management of the motor vehicles and archive material and its display to the general public at the Museum or in peripatetic temporary displays. BMIHT has adopted, regularly evaluates and updates its collecting, archive and collections management policies in accordance with Arts Council England ("ACE") accreditation.

Achievements

The year started strongly, with the engaging temporary exhibition about the future of the car and mobility, 'The Car. The Future. Me' continuing to be popular and starting interesting dialogues with visitors. The exhibition's run was extended until the latter part of 2020, as Coronavirus restrictions disrupted the temporary exhibition calendar. Under a collaboration with Dundee Museum of Transport, 'The Car. The Future. Me' was dismantled and packaged and will become part of the 2021 UN Climate Change Conference in Glasgow, before moving to Dundee in early 2022.

Planned temporary exhibitions for 2020 included anniversary displays for the 50th anniversary of the Range Rover and the 40th of the Austin Metro. The Range Rover exhibition opened for a handful of days in March before the first Coronavirus lockdown forced the Museum to close.

The lockdown prompted a shift in programme and the Curatorial Team moved quickly to deliver content about the collections digitally, via the website and on social media. 'Metro at Forty' became BMIHT's very first fully online exhibition. The Metro's story resonated widely and the exhibition featured on BBC Breakfast and BBC Midlands Today on TV, on local radio across the nation, on the BBC News website and widely in print. This online exhibition has set the pattern for future digital content.

Early in the lockdown period, the Curatorial Team implemented routines for visiting the Museum

observing Coronavirus restrictions to inspect the Designated collections to ensure their integrity, liaising with the Workshop, Archive, Conservation and Engineering teams.

In July the Museum was allowed to reopen. A series of measures to keep visitors, staff and volunteers alike, safe was put in place. These included screens, one-way systems and some reduced offering of interactive exhibits. The underlying principle was to keep the experience as familiar as possible, which was positively welcomed by visitors. By the end of the year, the various Coronavirus forced closures meant that visitor numbers were just 42% of those in 2019.

The Arts Council funded Community Historian continued to explore material for the planned community led exhibition, 'Factor Us In'. With restrictions in place, engagement with local communities and schools to collect their reminiscences had to be re-thought, including moving to online sessions. The decision was made to the delay the opening of a physical exhibition to 2021.

Although somewhat curtailed, work continued to develop and broaden the collections. At the start of the year a TVR Grantura and a Reliant SS1 were donated to BMIHT. A number of vehicles on loan from the James Hull Collection were returned to Jaguar Land Rover, whilst new relationships were formed, including with Bentley which resulted in the loan of one of its Speed 8 Le Mans racers. BMIHT also opened talks with Vauxhall to bring its Heritage Collection to the Museum, an arrangement finally realised in Summer 2021.

In July, negotiations began with MG Motor UK to secure the loan of Lord Austin's Office which was preserved at the Longbridge factory in a building to be redevelopment. By the end of the year, the outline of an agreement had been made, which subsequently resulted in the Office being carefully dismantled, crated and transferred to the Museum in early 2021. Fundraising for restaging the Office at the Museum forms part of the 2021 development plans.





Trustees' Annual Report (continued) Year Ended 31 December 2020

5.2. Archive

The Archive collects, catalogues and conserves an extensive range of archival material relating to the history of the British motor industry and also provides licenses for the use of BMIHT's archive films and images to a wide range of third parties.

Achievements

Following restructuring of staff in late 2019, the new Archivist began to plan developments and implement changes to the services and systems provided in the Archive. In March, all Archive activity was suspended due to the Coronavirus.

Echoing the Curatorial Team, the Archive Team set up a system of physical checks of the Designated collections, to monitor the environment and their integrity, all within Coronavirus regulations. Later in the year, BMIHT invested some funds from the Government's Culture Recovery Fund ("CRF") grant in a new environmental monitoring system, which allows for remote assessment of the environment and assisted the checks in subsequent lockdown periods.

BMIHT continued to operate its Photographic Library and Moving Film services. Activity was generally slower than in previous years. The restrictions also highlighted that some of the catalogues and systems are showing their age and lack effectiveness for greater emphasis of online provision. This is a critical area for development in the future.

In collaboration with the Commercial Team, a deal was signed with a supplier of high-quality prints from cultural collections around the world, to offer 50 images from the Archive. The prints are sold through the British Motor Museum retail website and fulfilled by King and McGaw.

In September the in-person research room visits were reopened, with reduced numbers and Covid-safe procedures instigated. Places were booked for months ahead, although at times fell foul of further lockdowns.

Attention for much of the year has been focused on digital delivery. The Archive is the source of much of the collections themed output on the website and social media, including national campaigns such as 'History Begins at Home' and 'Archives Month', as well as blogs and video content. The Archive Team also researched material for new exhibitions, such as 'Metro at 40' and 'Factor Us In'.



In spite of the ever-changing access to the Archive during 2020, donations continued to arrive, including collections of advertising posters, a major archive of Austin Metropolitan material from Australia and more material relating to the Trust's Rover-BRM gas turbine car.

5.3. Learning

Learning is responsible for the provision of interactive, cross curricular sessions for primary, secondary and adult learners of all abilities along with courses and seminars which promote and interpret the role the motor industry plays in Great Britain. BMIHT has adopted, and regularly evaluates and updates its education policy to ensure appropriate links to the national curriculum.

Achievements

The first quarter of 2020 was shaping to be one of the busiest ever for the Learning Team, with a strong mix of formal, informal and community outreach programmes. School groups for this period were up 38% on 2019 and the February half-term holiday, science themed, family activities saw a 27% rise in uptake over the equivalent period in 2019.

From April, the entire programmes had to be reassessed. As most of the learning programmes are supported by Arts Council's National Portfolio Organisation fund, it was possible to keep the Learning Team working, rather than furloughed. The Team quickly introduced a range of online 'Stay at Home' programmes, with the underlying principle that these programmes could be further developed once more usual operating patterns returned.

Digital content included trails, quizzes, videos and 'Science from Home', often produced away from the Museum itself. The closure of the Museum also gave the team time to re-assess all its programmes, in particular for schools and formal learning. A refreshed package of sessions is now available, including a first offering of online sessions such as 'Ready. Set. Go!' and 'Fashion versus Function'. Taster virtual sessions for schools and support materials for teachers were launched and these have already proved popular. Combined, these set the Museum ready for when schools can return. These continue to be supported by the Arts Council funded Travel Support Scheme for free or subsidised travel to the Museum, now extended to community groups as well as schools.



Trustees' Annual Report (continued) Year Ended 31 December 2020

Engagement with community groups, which rely on visits to the Museum or visits into the community, were severely impacted. Working with the team of volunteers, a range of online alternatives have been developed, although these have taken time to establish. Alternative schemes were devised, including a successful programme delivering STEAM based activity packs to the local food bank, for children of families who find themselves needing the support of the food bank. A successful six-month pilot gave opportunities for future collaborations.

In July, the Museum was allowed to re-open and the Learning Team presented its popular Science Shows during the school holidays, starring the notorious Professor Pickle and Doctor Pumpkin. The Shows were delivered both outside and inside to suit the ever-changing Coronavirus rules. During the period, more than 1,500 families took part in the activities.

In Autumn the Museum operated reduced hours. School programmes, such as 'History of Transport', were reformatted to allow for Coronavirus safe visits, on non-public days, it gave the Team the chance to run sessions for groups with access requirements, such as special educational needs, without the distraction of general visitors. This sparked a larger review of access throughout the Museum, for audiences with a wide range of needs and where there might be barriers to visiting or engagement. This a key piece of work continuing into 2021.

A new offer for both community groups and special interest groups was a virtual tour, live from the Museum. Delivered with characters in costume, the tours were live streamed over video-conferencing software, allowing for an interactive experience. Sessions were booked by groups as far away as New Zealand.

As part of its people development programme, funded by Arts Council, in March BMIHT took on a Learning and Community Engagement Trainee. This gave a person at the start of their career chance of first-hand experience across all types of learning and engagement, as well as the opportunity to own and develop projects of their own. The traineeship was initially for 12 months but was extended 6 months, to allow for the impact of Coronavirus restrictions on the experience.



5.4. Vehicle Restoration and Usage

The Restoration Workshops are responsible for the restoration, renovation and preservation of the BMIHT collection of vehicles, but also provides support, maintenance and repair of various operational site vehicles.

Achievements

The Vehicle Restoration Workshop was one of the most impacted areas of BMIHT's core activities during the Coronavirus restrictions. With no opportunity to work from home, the Workshop Team spent a large part of 2020 on furlough, except for some limited time setting up the Museum for reopening in July and preparing vehicles for the very infrequent events in the second half of the year.

Thanks to the CRF grant, the Team returned to the Museum in the latter two months of the year. Special measures were put in place to ensure that the Team could work safely together in the Workshop environment. Priority was given to assessing the entire vehicle collection, to establish any remedial work caused by the long periods of inactivity.

A side-effect of limited Museum opening hours and enforced closures, where the Team could work in a Covid safe way but without the pressure of the public, was that the assessments could be carried out swiftly and the resulting recovery to a more normal position shorter.

5.5. Shows, Clubs and Groups

This team is responsible for the on-going development of patronage and Museum footfall from enthusiast clubs, groups and general visitors to large shows held at the British Motor Museum.

Achievements

Revenue from Shows, Clubs and Groups was severely curtailed in 2020 due to the Coronavirus pandemic. Many shows were cancelled because of lockdowns or restrictions but the team did secure two new shows, 'Jaguars at Gaydon' which was a great success and will return in September 2021 and 'Yakushi', a show for Japanese cars which delivered a strong first year performance.

Were possible, cancelled shows were carried forward to the 2021 season (MGF 25 and Mogfest) and one event was carried over into 2022 (World Cup Rally 50th Anniversary).



Trustees' Annual Report (continued) **Year Ended 31 December 2020**

Whilst there have been changes to the calendar for 2021 in response to the Government's roadmap for the relaxation of restrictions, it's likely that all but two of the shows originally forecast for 2021 will go ahead. Visitor and Exhibitor numbers and associated revenues have been encouraging to date.

October 2020 also saw the introduction of the Museum's first regular free event, the Gaydon Gathering, designed as a gateway event that helps to introduce new audiences to the Museum. Held on the second Tuesday of every month from April to October these events are proving popular with 1,000 free tickets distributed for the latest gathering and around 450 cars of interest in attendance.

Car Club events are also returning as restrictions ease and confidence rises, particularly around outside events.

5.6. The Future

The immediate concern and focus is ensuring that all income streams return to pre-Coronavirus levels as quickly as possible to support financial stability and reduce the current reliance on reserves.

In addition, these income streams must not only be maximised where possible, but also diversified. Less reliance on one income stream to support the organisation and the charitable objectives should put BMIHT in a better place to manage any future restrictions, lockdowns or sudden and unexpected changes in the economic environment, no matter the reason.

To this end the senior leadership team have continued to restructure and are focused on developing a new 5-year business plan that is relevant, fit for purpose and realises the immense potential of the British Motor Museum.

The 5-year plan will focus and guide BMIHT into the future and help realise several important

goals including financial stability, raising the charitable profile and fundraising ability, developing diversity throughout the organisation and visitors and meeting future environmental sustainability challenges, while still effectively delivering charitable objectives.

BMIHT will continue to engage with enthusiasts by further developing the 'Gaydon Gathering' and will look to complement this with both a membership and an expand range of shows and events both large and small of which all motor vehicle enthusiasts can enjoy.

This will be facilitated by a new ticketing and customer relationship management system that will allow for a closer relationship with customers, enable targeted marketing and structured pricing.

The unique challenges in 2020 has driven a more agile approach which will be developed further investing in digital media and away from traditional print due to the need to adapt messages at short notice and reach audiences quickly.

Collections will be expanded by engaging with all manufacturers with a link to the British automotive industry, such as Vauxhall and the Vauxhall Heritage Collection which is now on display at the Museum.

BMIHT will re-visit long-term goals such as the state of the art, public access Archive Repository conforming to the latest standards, a second collection centre to widen BMIHT's collection and an onsite hotel to meet leisure and business overnight accommodation demands.

With the long-term future on this site secured, investments of these magnitudes are possible, but external funding will be required to realise these visions and will be investigated and sourced as required.





Trustees' Annual Report (continued) Year Ended 31 December 2020

6. BMIHC Annual Objectives

The annual objectives of the trading subsidiary are to:

- Achieve agreed sales targets and profit margins and to exceed wherever possible;
- Improve customer relationship management;
- Diversify commercial operations; and
- Improve reporting structure and finance information.

6.1. Conference, Meeting and Banqueting

The British Motor Museum operates as a Conference and Wedding venue with 25 meeting rooms and 65 acres of grounds offering flexible spaces for corporate events both inside and out as well as for private celebrations, weddings, wakes and dinners, with onsite catering to suit any need.

Achievements

Having recently relaunched the conference venue and experienced two of the most successful and busiest months ever the venue closed in March due to the Coronavirus and the majority of bookings were therefore postponed or cancelled.

The bookings, operations and marketing teams were furloughed for much of 2020 but, when working, the team focussed on maintaining and developing customer relationships and operational capability in response to the changes in government rules and restrictions. This involved updating the website, creating e-brochures, calculating new room capacities to allow for a variety of social distancing scenarios, refining contract terms and devising new Coronavirus safe catering and serving options.

Hybrid meetings were promoted and encouraged. While this activity delivered little additional revenue, it did serve to reassure clients and create opportunities for engagement with the conference market.

The Museum conference centre hosted a number of small meetings when 2020 restrictions capped meetings at 30 people.

Conference bookings have slowly started to return since May 2021 and some bookings that were cancelled for 2020 have now re booked. The team has also secured new business.

Sales efforts were diversified during 2020 with a renewed focus on weddings and private events in addition to conferences. The Marketing team designed new Wedding webpages and a brochure. The centre also signed up with two third party

wedding websites in order to drive enquiries and sales. Wedding enquiry volumes have been encouraging with the first Asian wedding held in June 2021 and another booked in July. Several bookings for 2022 have also been confirmed. The first traditional wedding is booked in for October 2021.

A new Coronavirus safe funeral wake package and a familiarisation trip for funeral directors was organised in May 2021 to promote the Sky Suite.

The bookings team structure is still working well with the team looking after car clubs, group visits, education visits, show bookings, weddings and other private events, conference and banqueting.

6.2. Workshop Services

The workshop services are responsible for the hiring of vehicles from the collection to earn revenue to support BMIHT activities.

Achievements

The Workshop services were hit very hard by the coronavirus pandemic and only two requirements for the hire of historical vehicles were received in 2020, one before the first lockdown and one before the second lockdown.

Although both of these requests and some internal requests for vehicles were fulfilled by the team and with the team unable to work from home, they were placed on furlough for much of 2020.

However, when able to return to the workshop it did allow the Team the time required to inspect the collection and schedule work to ensure the collection through inactivity had any remedial work carried out in a timely manner.





Trustees' Annual Report (continued) Year Ended 31 December 2020

6.3. Heritage Certificate Services

Using the BMIHT unique Archive Collections, the Archive Team undertakes research and provides technical information and a range of products for classic car owners and enthusiasts which can also be purchased as a heritage certificate to authenticate details and vehicles.

Achievements

Due to some diligent planning just before lockdown, by the end of April the Archive was able to restore much of its Heritage Certificate service, with staff working from home, researching manufacturer build records that had been digitally scanned, accessible without the need for the originals. Later in the year CRF was also invested in further digitisation of records (both paper and microfilm) which gives greater (and remote) access to more of these important records.

Despite a depressed first quarter and the requirement for the Team to work at home until the middle of the year, sales of Heritage Certificates proved to be resilient to the effects of the pandemic and climbed noticeably during the second half of 2020, with December having twice the number of orders over 2019.

By the end of 2020 Heritage Certificate sales was the only income stream to outperform 2019, one of the most successful on record and continue to rise further in 2021. Crucially, as a result of the hard work by the Archive Team, this service realised one of the largest incomes for the Trust during 2020.

6.4. Retail

To enhance the visitor experience, the Museum shop stocks a range of motor-themed and general gifts as well as unique items created using BMIHT's archive material. The shop also has a presence on the British Motor Museum website and trades commercially to support BMIHT activities.

Achievements

Sales through the Museum's onsite retail outlet were severely impacted by the closure of the Museum for much of 2020 and early 2021. However, this allowed for development of the online gift shop of which revenue continues to grow and was up 60% in 2020 vs. 2019.

Retail product selection has been amended for 2021, with a clearer focus on British Automotive and the aim of aligning the Museum and Retail offerings more closely. The customer relationship management system will allow us to gain a better understanding of how people joining the Museum membership scheme interact with our retail offering which could help to inform future product and marketing decisions.

In 2020 the Museum also developed a retail collaboration with King and McGaw, in order to offer a print on demand service to the public, based on images contained within the Museum's archive.

Focus for 2021 is on further rationalisation of our current offering, clearing slow selling items in order to create opportunities for more compelling product displays and the acquisition of new product ranges and suppliers that closely fit the purpose and focus of the Museum.

6.5. Cafeteria Dining

As well as banqueting services BMIHC operates a café offering a selection of hot and cold food and drinks including breakfasts, salads, sandwiches, soups and hot meals. The café serves visitors to the Museum, staff and delegates attending meetings without catering.

Achievements

With the emergence of Coronavirus and following the introduction of Government restrictions the Museum and café were forced to close in March 2020.

They both reopened on 4 July implementing all Coronavirus Government guidance which demanded table service in catering and hospitality establishments. This was a huge operational challenge which was embraced by the catering and front of house teams and proved to be a positive change that will remain. With food made to order the quality and presentation improved and was very well received by visitors, in turn the new operating process massively reduced food waste.

A focus on reducing single use plastics and disposable packaging was undertaken. The sale of drinks in plastic bottles ceased and all disposable packaging use was reduced and changed to compostable items.





Trustees' Annual Report (continued)

Year Ended 31 December 2020

BMIHC implemented new food labelling in line with Natasha's Law which will come into effect October 2021 and requires all food produced and packaged on the premises to be labelled with all ingredients.

The 5-star food rating together with the Coeliac Accreditation have been retained.

6.6. The Future

2020 was a year of unique challenges. This has driven a more agile approach across all commercial areas.

Restructuring of the leadership team in 2020 has unlocked opportunity for greater focus on revenue generating activity through innovation and the enthusiasm to embrace change and new ideas without the fear that this will taint the charitable objectives of BMIHT, but instead will complement, support and recognise them.

Growth in 2021 and the following 12 months will be delivered in the main by refining and developing core commercial activities. The strategy is to extract more revenue from every area of our commercial operation by driving a culture of operational excellence, delivering class leading customer experiences and developing our product offering.

Refining marketing and sales activity to reach new and existing audiences with powerful compelling messages will ensure customer growth and market share.

Customers within the automotive and manufacturing sectors with a natural fit and requirement for external space are the most likely customers to return first and therefore an agreement with Jaguar Land Rover to enable the contracting with third party customers for the use of the purpose-built driving zone has been signed.

Work to grow within the recently entered wedding, wakes, south Asian events and special occasion markets will continue.

BMIHC must be in a position to acquire more than its fair share of the conferencing and events market when customer confidence returns.

2021 to date has also seen investment in the development and streamlining of the certificate process and recruitment of additional human resource. This will unlock opportunities for a marketing push in 2021 to drive further sales growth.

Retail product rationalisation to ensure a close alignment with the Museum themes will continue in 2021 with a view to deliver more products online to mitigate any possible future forced closure.

Longer term plans to create a new conferencing wing and move the café to the public floor of the building to create a free vend destination for non-museum customers will be reviewed as required along with further development and use of the site.





Trustees' Annual Report (continued) Year Ended 31 December 2020

7. Review of Financial Position

7.1. Grants

Grants totalling £790,155 (2019: £483,152) were received during 2020 and include:

- £nil, National Memorial Heritage Fund - 1953 Triumph TR2 Jabekke (2019: £249,200);
- £779, Archives Revealed Cataloguing Grant – Art of Selling (2019: £13,952);
- £224,048, National Portfolio Organisation Grant (2019: £220,000) ;
- £6,118, Local Restrictions Support Grant (2019: £nil);
- £205,709, Coronavirus Job Retention Scheme (2019: £nil); and,
- £353,500, Cultural Recovery Fund grant (2019: £nil)

7.2. Funds

Funds of £13,141,723 (2019: £14,209,659) of which £6,250,093 (2019: £6,182,095) is restricted and £511,110 (2019: £528,314) is designated will continue to be used to further develop BMIHT and allow its trading subsidiary the resources required to successfully re-establish income streams curtailed by the Coronavirus pandemic.

However, £9,166,588 (2019: £9,555,282) of the total fund is tied up in assets that would have to be disposed of in order to be re-purposed.

Careful management of cash, cash equivalents and investment resources of £1,001,517 (2019: £2,070,498), £431,797 (2019: £428,361) and £3,002,987 (2019: £2,800,868) respectively is required. The Trustees believe it is inappropriate for BMIHT to hold its reserves at a particular level due to the nature of the work and instead review funds regularly (see note 1).

7.3. Results for the Year

The largest income stream supporting the objectives of BMIHT was still conferencing from the trading subsidiary despite the forced closure from mid-March of the conference centre. During 2020 BMIHC had two exceptional conferencing months after a successful transition to the external sector accounting for approximately 29% (2019: 53%) of total income at £415,684 in 2020 (2019: £2,426,277).

BMIHT's main income stream is from visitor entry fees to the British Motor Museum which is also a charitable objective and accounted for approximately 28% (2019: 12%) of total income at £408,203 (2019: £911,682).

Ancillary visitor services provided by the trading company accounted for 19% (2019: 19%) of total income made up of catering income of £190,580 (2019: £676,003) and retail income of £83,950 (2019: £188,159).

Finally, certificate income from the trading subsidiary increased in 2020 by 3.8% and was the only income stream to outperform the previous year, £296,654 in 2020 (2019: £285,896).

In addition to these income streams the successful award and use of several grants coupled with strict control of costs throughout the organisation ensured losses were kept to a minimum in an extremely difficult trading year.

These achievements ensure BMIHT remain in a healthy position to take advantage of development and investment opportunities and grow and diversify all income streams aiding the delivery of all the charitable objectives.

7.4. Future Forecast

The immediate future forecast for BMIHT is still uncertain as the world adjusts to living with Coronavirus, but visitor levels starting to return to pre-Coronavirus levels is encouraging.

Large show attendance has also been good which with the strategic adjustment to pricing has resulted in several shows outperforming 2019 entry income. This trend will continue in 2021 as more shows return to the calendar and new ones are introduced.

The conferencing market is slower to return, but enquiries are increasing and the work to diversify income by growing the wedding, wake and occasions sectors will introduce new income streams.

Fundraising and Heritage Certificate development will be a key focus in 2021 as it is believed both have a large capacity for growth. Both have had very little resources attributed to their development in the past.





Trustees' Annual Report (continued) **Year Ended 31 December 2020**

2021 will be another difficult year, but with large spaces both internally and externally BMIHT is in a good position to cope with the future demands arising from the Coronavirus and to maximise and diversify income streams.

Furthermore, BMIHT has managed to retain sufficient reserves that coupled with the continued restructuring and development of a 5-year strategy will ensure that BMIHT will become a financially stronger organisation that will allow it to fulfil its charitable objectives effectively while improving organisational and customer diversity and environmental sustainability.

The long lease allows BMIHT the opportunity to realise investment and funding for large and exciting projects such as a new Collections Centre, Archive, hotel and café, and Conference and Museum expansions.

7.5. Going Concern

The impact of the pandemic means that the immediate future of BMIHT is less certain while all markets adjust to operating in a world where Coronavirus exists.

To ensure going concern BMIHT will look to reinstate all activities and income streams as quickly as possible and to maximise these income streams with a focus on operational excellence and customer experience.

Further income streams will be developed by seizing opportunities through innovation and development while managing spend and resources carefully by identifying and prioritising requirements.

Restructuring completed in September 2020 has allowed BMIHT to put a structure in place equipped for a rapidly changing world. This new structure is flat, flexible and dynamic which will aid in the realisation of a strategic 5-year plan currently being developed exploit the potential of the British Motor Museum site.

A new customer relationship management system has been implemented which coupled with a new membership will improve customer engagement with leisure and enthusiast markets alike and lead to new sales opportunities.

When the conference market returns BMIHT will be well placed to take a sizeable share of the market with a refurbished conference centre, large internal and external spaces and the retention of staff with the skills required to ensure a success.

BMIHT's cash and cash equivalents along with available investments will ensure BMIHT can navigate a lengthy economic recovery period should this be required and if necessary allow BMIHT to develop the considerable assets of the site to achieve a viable business model.

Considered with BMIHT's track record, the business plans and forecast to the end of 2022, the reserves and assets available, offset by the challenges ahead the Trustees are confident that BMIHT will have sufficient funds to meet liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore satisfy going concern obligations.





Trustees' Annual Report (continued)

Year Ended 31 December 2020

8. Principal Risks and Uncertainties

An updated Risk Management Policy was accepted as a true reflection of the current threats to BMIHT by the Board of Trustees in January 2020.

Trustees are confident that there are arrangements presently in place to mitigate current known risks and will continue to monitor through regular board meetings. The main *risks* and mitigating factors are presented in the table below.

Risk	Mitigating Factors
<i>Continued impact of future government restrictions and infectious diseases</i>	<p>COVID safe working practices will be maintained and reviewed regularly including cleaning regimes, sanitation stations, face masks, screens, one-way systems and table service.</p> <p>Income streams that grew in the pandemic will continue to be developed such as online sales and virtual tours and learning sessions.</p> <p>All staff will be issued with appropriate equipment that will ensure homeworking is possible wherever viable.</p>
<i>Reliance on one market (conferencing) to generate a large proportion of total income</i>	<p>All income streams will be reviewed and developed with improved and additional products and strategy to ensure maximisation of income.</p> <p>New income streams will be investigated and added by way of market research and innovation to diversify income.</p> <p>Investment and development of the Museum site will be considered to attract more enthusiasts and leisure visitors alike.</p>
<i>Security of heritage and physical assets with increased site use and external conference sector relaunch</i>	<p>All heritage and physical assets will be secured in either the Museum or Collections Centre along with control of tight construction, design and management regulations.</p> <p>Security features such as fencing, alarms and CCTV have been implemented.</p>
<i>BMIHT objectives versus investment opportunities, cash flow and profit and getting the appropriate balance</i>	<p>With continual management reports, budgeting, forecasting and cash flows the balance will be monitored at both senior leadership and Trustee level.</p> <p>A Board of Trustees and Senior Leadership Team including individuals with differing views, expertise and backgrounds to create a balanced approach.</p>

All risks are covered in the Risk Management Policy and constantly monitored at both Senior Leadership and Board level using the guidance in the policy and when making strategic decisions.





Trustees' Annual Report (continued) Year Ended 31 December 2020

9. Structure, Governance and Management

9.1. Public Benefit

BMIHT follows Charity Commission guidance on public benefit and demonstrates this by housing the collections in award winning publicly accessible facilities and through its educational and learning activities coupled with promotional admission offers, seeks to attract, engage and interest the general public as widely as possible.

9.2. Governance

BMIHT is governed by its Memorandum and Articles of Association which contains no specific restrictions on the way the Charity can lawfully operate to achieve its objects, provided the income and property of BMIHT is used solely for the promotion of the objects of the Charity. Clause 4 of the Memorandum and Articles of Association states that no payment shall be made by way of a dividend, bonus or otherwise to members of BMIHT.

9.3. Structure

The Board of Trustees meet quarterly and are responsible for setting the strategy for BMIHT, taking overall policy decisions and approving the annual budget and financial statements. Policy decisions are implemented by the Senior Leadership Team ("SLT") responsible for the day-to-day operational matters of BMIHT.

BMIHT may by ordinary resolution appoint or remove a Trustee in accordance with the regulations contained in the Memorandum and Articles of Association.

New Trustees are nominated by members of the Board of Trustees and appointed where they have the necessary skills to contribute to the Charity's management and development. When new Trustees are appointed, they are given an introduction to the work of the Charity and provided with the information they need to fulfil their role, which includes information about the role of Trustees.

Trustees' expenses in the year totalled £nil (2019: £nil). Trustees received £10,000 (2019: £10,000) in respect of their services to BMIHT for acting as a director. This comprised of £5,000 (2019: £5,000) paid to the Managing Director and £5,000 (2019: £5,000) paid to the Finance Director, as authorised in the Memorandum and Articles of Association section 5(c). Trustees do not hold shares in BMIHT.

The Trustees regularly review at each quarterly board meeting the level of reserves available to ensure that they are appropriate to the needs of BMIHT. The reserves are currently sufficient for the

requirements of BMIHT to safely manage any unforeseen proportional events based on the running costs of BMIHT.

BMIHT holds unrestricted reserves of £6,380,520 (2019: £7,499,251), restricted reserves of £6,250,093 (2019: £6,182,095) and designated reserves of £511,110 (2019: £528,314).

Pay and remuneration of BMIHT's key personnel, namely the SLT is reviewed and agreed by the Managing Director and Finance Director of which their pay and remuneration is authorised at Trustee level. Industry comparatives are used to ensure these amounts are appropriate.

9.4. Financial Statements and Heritage Assets

The statement of financial activities is set out on page 22.

BMIHT's heritage assets are held to promote the permanent preservation of motor vehicles manufactured and sold by the motor industry in Great Britain from 1896 to the present day together with historic archives and artefacts.

The Trustees consider the value of the collection of historic vehicles to be in excess of its book value but, because of the objects of BMIHT, do not consider it appropriate to continually value the collection and furthermore the cost to do so would not be commensurate with the benefits to users of the financial statements. Therefore, heritage assets are valued at cost if purchased or fair value if donated at the date of acquisition, see note 1 of the notes to the financial statements for more information.

The accounting policies used to produce the financial statements for BMIHT are shown on pages 26 to 28.

9.5. Continuing Operations

The Trustees consider that along with the 135-year lease signed in June 2019 that BMIHT assets are available and adequate to fulfil its obligations, and that the financial statements comply with current statutory requirements and with the requirements of BMIHT's governing document. BMIHT has cash and cash equivalent reserves of £1,433,314 (2019: £2,498,859), investments of £3,002,987 (2019: £2,800,868) and has consistently posted net profits before the emergence of the Coronavirus and will so again as restrictions are relaxed and removed. Therefore, the Trustees are confident that BMIHT will have sufficient funds to meet liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore satisfy going concern obligations (see note 1).





Trustees' Annual Report (continued) Year Ended 31 December 2020

10. Reference and Administrative Details

The full name of the charitable company is British Motor Industry Heritage Trust ("BMIHT") with registered address at British Motor Museum, Banbury Road, Gaydon, Warwickshire CV35 0BJ.

In accordance with Section 60(1)(a) of the Companies Act 2006, the charitable company is exempt from the requirements of the act to include "Limited" as part of its name.

BMIHT was incorporated on 7 January 1983 as a company limited by guarantee, under the company number 1690117 and has been granted charitable status under the Charities Act 1960, registration number 286575.

BMIHT has made qualifying third-party indemnity provisions for the benefit of its Trustees which were made during the year and remain in force at the date of this report.

10.1. Support from Other Entities

BMIHT owns the entire issued ordinary share capital, consisting of two ordinary shares of £1 each of the trading subsidiary British Motor Industry Heritage Centre Ltd ("BMIHC"), who's trading address is British Motor Museum, Banbury Road, Gaydon, Warwickshire, CV35 0BJ.

Jaguar Land Rover Ltd ("JLR") has pledged support to the objects of BMIHT and has provided gifts in kind, support of services, and non-cash donations amongst other assistance (see note 5 & 30).

Jaguar Daimler Heritage Trust, charity number 286863 now works alongside BMIHT having relocated their archive, office and collection of Jaguars to the British Motor Museum site. This has allowed them to display the Jaguars in the Museum and Collections Centre adding to the offering available to the general public. A rent premium has been made to enable this.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

10.2. Trustees, Officers and Advisors

Board of Trustees

Mr K.J. Benjamin
Mr J.C. Coope
Mr S.J. Cropley
Ms A.J. Husband (appointed 20 January 2021)
Mr J.N. Kordan
Mr J.W. Levy (appointed 22 January 2020)
Mr A.J.P. Managhan (appointed 22 April 2020)
Mr S. Norman (appointed 22 January 2020 and resigned 31 January 2021)
Ms S.F. Sevier
Mr R.C.O. Shore
Mr P. Singleton
Mrs J.S. Tew (resigned – 22 April 2020)
Mr K.J. Timms

Statutory Auditor

KPMG LLP (UK)
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Bankers

HSBC Bank PLC
PO Box 68
130 New Street
Birmingham
B2 4JU

Solicitors

Pennington Manches Cooper
LLP
9400 Oxford Business Park
Cowley
Garsington
Oxford
OX4 2HN





Trustees' Annual Report (continued)
Year Ended 31 December 2020

11. Statement of responsibilities of the Trustees of British Motor Industry Heritage Trust in respect of the Trustees' annual report and the financial statements

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

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

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

On behalf of the Board

Mr K. Timms
Trustee and Chairman
British Motor Museum
Banbury Road
Gaydon
Warwickshire
CV35 0BJ

29 September 2021





Independent Auditor's Report to the Members of British Motor Industry Heritage Trust

Opinion

We have audited the financial statements of British Motor Industry Heritage Trust ("the charitable company") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities including income and expenditure account, consolidated balance sheet, charity balance sheet, consolidated statement of cash flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

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

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

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the charitable company's ability to continue as a going concern for the going concern period.

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

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of directors as to the Charitable Company's high-level policies and procedures to prevent and detect fraud, and the Charitable Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that revenue is recorded in the wrong period and the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.





Independent Auditor's Report to the Members of British Motor Industry Heritage Trust (continued)

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation.
- Sample testing of revenue relating to the period prior to and following 31 December 2020 to determine whether income is recognised in the correct accounting period.

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

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

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

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

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

Whilst the charitable company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

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

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

transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

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

Other information

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

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.





Independent Auditor's Report to the Members of British Motor Industry Heritage Trust (continued)

Trustees' responsibilities

As explained more fully in their statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in

accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

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

Mark Dawson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

29 September 2021





Consolidated Statement of Financial Activities Including Income and Expenditure Account Year Ended 31 December 2020

	Notes	£ Restricted funds	£ Unrestricted funds	2020 £ Total	2019 £ Total
Income from					
Donations					
Donations & gifts		104,683	231,032	335,715	610,189
Grants		578,328	6,118	584,446	483,152
Coronavirus Job Retention Scheme			205,709	205,709	
	3	683,011	442,859	1,125,870	1,093,341
Charitable activities					
Museum income		-	232,164	232,164	507,734
Education income		-	7,035	7,035	20,322
Archive income		-	38,480	38,480	67,683
	4	-	277,679	277,679	595,739
Other trading activities					
Trading company income	7	-	989,519	989,519	3,586,026
Investments					
Bank interest		-	1,293	1,293	6,493
Other	9	-	294,499	294,499	97,097
Total income		888,720	1,800,140	2,688,860	5,378,696
Expenditure on					
Raising funds	10	(21,223)	(1,716,797)	(1,738,020)	(2,643,849)
Charitable activities					
Museum costs		(604,444)	(1,394,270)	(1,998,714)	(2,538,201)
Archive costs		(5,171)	(197,760)	(202,931)	(401,516)
Education costs		(732)	(18,518)	(19,250)	(33,922)
	11	(610,347)	(1,610,548)	(2,220,895)	(2,973,639)
Total expenditure	13	(837,279)	(3,121,636)	(3,958,915)	(5,617,488)
Net income before investment gains		51,441	(1,321,496)	(1,270,055)	(238,792)
Unrealised gain on investment assets	14	-	202,119	202,119	317,020
Net (loss)/income		51,441	(1,119,377)	(1,067,936)	78,228
Transfers between funds		(647)	647	-	-
Net movement in funds		50,794	(1,118,730)	(1,067,936)	78,228
Reconciliation of funds					
Total funds brought forward		6,129,287	8,080,372	14,209,659	14,131,432
Total funds carried forward		6,180,081	6,961,642	13,141,723	14,209,659

The notes on pages 26 to 43 form part of these financial statements.

All income and expenditure is derived from continuing activities within the United Kingdom and there are no other recognised gains or losses in the year, other than those reflected in the Consolidated Statement of Financial Activities ("SOFA").

For a SOFA with a comparative for all funds please see note 33.




Consolidated Balance Sheet
Year Ended 31 December 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	17	6,762,950	7,183,144
Heritage assets	16	2,403,638	2,372,138
Investments	14	3,002,987	2,800,868
		12,169,575	12,356,150
Current assets			
Stock (finished goods)	18	58,868	66,713
Debtors	19	106,043	311,295
Investments	22	431,797	428,361
Cash at bank and in hand	22	1,001,517	2,070,498
		1,598,225	2,876,867
Creditors-amounts falling due within one year	20	(626,077)	(1,023,358)
Net current assets		972,148	1,853,509
Total assets less current liabilities		13,141,723	14,209,659
Net assets		13,141,723	14,209,659

Funds			
Restricted	23	4,965,468	4,897,470
Restricted revaluation reserve	24	1,284,625	1,284,625
Designated	25	511,110	528,314
Unrestricted	26	5,471,662	6,792,512
Unrestricted revaluation reserve	27	908,858	706,739
Total funds	27	13,141,723	14,209,659

The financial statements along with accompanying notes of BMIHT, registered company number 1690117 and registered charity number 286575, on pages 26 to 43, were approved by the Board of Trustees and signed on their behalf by:

Mr K. Timms
Trustee and Chairman
29 September 2021





Charity Balance Sheet

Year Ended 31 December 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	17	6,762,950	7,183,144
Heritage assets	16	2,403,638	2,372,138
Investments	14	3,002,989	2,800,870
		12,169,577	12,356,152
Current assets			
Debtors	19	622,851	709,371
Investments	22	431,797	428,361
Cash at bank and in hand	22	412,330	1,465,904
		1,466,978	2,603,636
Creditors—amounts falling due within one year	20	(525,374)	(776,075)
Net current assets		941,604	1,827,561
Total assets less current liabilities		13,111,181	14,183,713
Net assets		13,111,181	14,183,713
Funds			
Restricted	23	4,965,468	4,897,470
Restricted revaluation reserve	24	1,284,625	1,284,625
Designated	25	511,110	528,314
Unrestricted	26	5,441,120	6,766,565
Unrestricted revaluation reserve	27	908,858	706,739
Total funds	27	13,111,181	14,183,713

The (Loss) / profit for the financial year dealt within the financial statements of the parent Charity was (£1,099,437) (2019: £60,728).

The financial statements along with accompanying notes of BMIHT, registered company number 1690117 and registered charity number 286575, on pages 26 to 43, were approved by the Board of Trustees and signed on their behalf by:

Mr K. Timms
Trustee and Chairman
29 September 2021




Consolidated Statement of Cash Flows
Year Ended 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Net cash used by operating activities	28	(907,531)	628,696
Cash flows from investing activities			
Interest		1,293	6,493
Proceeds from sale of property, plant and equipment			
Purchase of property, plant and equipment		(159,307)	(1,131,590)
Net cash used in investing activities		(158,014)	(1,125,097)
Change in cash and cash equivalents in the reporting period	22	(1,065,545)	(496,401)
Cash and cash equivalents at the beginning of the reporting period		2,498,859	2,995,260
Cash and cash equivalents at the end of the reporting period	22	1,433,314	2,498,859





Notes to the Financial Statements Year Ended 31 December 2020

1. Accounting Policies

Accounting Convention

The financial statements are prepared under the historical cost convention, with the exception of investments which are included at market value, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Basis of Consolidation

The group financial statements consolidate the accounts of British Motor Industry Heritage Trust and its subsidiary undertaking British Motor Industry Heritage Centre Limited drawn up to 31 December 2020. The result of the subsidiary is included in the consolidated SOFA. Intra-group sales and profits are eliminated fully on consolidation. The SOFA for BMIHT has not been presented as permitted by section 408 of the Companies Act 2006 while Charities SORP 2019 (FRS 102) paragraph 24.36 states to include gross income and results of the parent company and is shown in note 32.

Going Concern

BMIHT and BMIHC activities, together with factors likely to affect future development, performance and position, are set out in the Trustee's Annual Report which also describes the financial position, its cash flows and liquidity position.

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate following their review of prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements.

After reviewing these forecasts the Trustees are of the opinion that, taking account of severe but plausible downsides, including the anticipated impact of Covid-19 the group and company will have sufficient funds to meet their liabilities as they fall due for a period of 12 months from the date of approval of the financial statements (the going concern assessment period).

The group's cash and cash equivalent resources at the balance sheet date are considered adequate by the Trustees to ensure the group could navigate 12 months with little incoming resources due to Covid-19 (should further restrictions be imposed). The Trustees are also satisfied that the controls in place to monitor budgets and react to forecasts are also adequate.

These resources considered with the restructuring of the business, available assets, track record and business plans, mean that the Trustees are confident that group and company will have

sufficient funds to continue to meet liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Tangible Fixed Assets

Heritage Assets

In accordance with Charities SORP BMIHT holds heritage assets. These are divided into two distinct groups; heritage motor vehicles; and, artefacts and archive material.

Artefacts and Archive Material

Artefacts and archive material items number in the millions and therefore these have not been capitalised as the cost to value would not be commensurate with the benefits to users of the financial statements as allowed in Charities SORP. Furthermore, to value the items individually would do the collection an injustice as the whole is greater than the sum of its parts and it would be impossible to apply a meaningful figure.

Motor Vehicles Acquired Post 1983

Motor vehicles acquired by BMIHT post its incorporation year of 1983 have been stated at cost or identifiable fair value at the point of acquisition in line with Charities SORP. However, several of the motor vehicles do not have an identifiable fair value as they are 'one offs', 'first offs' or prototypes and completely unique and therefore reference to sales of similar items is impossible.

The cost or valuation of capitalised heritage assets is not subject to revaluation as the cost to do so would not be commensurate with the benefit to users of the financial statements nor have they been depreciated as they are deemed to have indefinite lives, but are subject to impairment where damage or deterioration is reported.

Motor Vehicles Acquired Pre 1983

BMIHT has not capitalised motor vehicles prior to its incorporation year of 1983 as the cost of any valuation would not be commensurate with the benefits to users of the financial statements nor would a valuation be meaningful.

Historic cost quickly becomes meaningless due to movements in market price, opinions, provenance, taste and changes in the market.

Non-Heritage Assets

Tangible fixed assets excluding the historic motor vehicles, artefacts and archive material are stated at cost less any provisions for depreciation and impairment. Impairments are calculated such that the carrying value of the tangible fixed assets is the lower of its cost compared with the higher of its net realisable value and its value in use.





Notes to the Financial Statements (continued)

Year ended 31 December 2020

1. Accounting Policies (continued)

Non-Heritage Assets (continued)

Expenditure is capitalised for additions and betterments or for replacements of major components of fixed assets. Also, where the expenditure materially adds to the productive capacity, efficiency or value of the assets or adapts the assets for a different use. Assets are not capitalised where the individual value of the asset is below £1,000.

Assets described as 'Gifts in Kind' relate to capital work undertaken by JLR on behalf of BMIHT. The assets are for projects to improve the infrastructure of the museum building and were written off over a ten-year period.

Depreciation of the cost of other tangible assets is provided at the following annual rates on a straight-line basis to write off the assets to their estimated residual value over their estimated useful lives.

	%
Leasehold improvements	4 to 10
Office and museum equipment	10 to 25

Investment

Taking account of the very low returns available from bank deposits, BMIHT continue to use Cazenove as investment advisors throughout 2020 utilising the Cazenove Multi Asset Fund and benefits from higher returns on its investments. There are no restrictions on the powers of the Trustees deciding the investment policy. Since initial investment, the value of the fund has increased by additional funds from the instant access account as well as gains. There was an unrealised gain of £202,119 (2019: gain of £317,020) in the year. The value of the fund may go up or down before the gain is realised. All values are measured at fair value.

Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. All stock held are finished goods.

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs.

Trade and other creditors are recognised initially at transaction price less attributable transaction costs.

Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a

financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives.

Designated funds are unrestricted funds identified for particular spend by the Trustees.

Restricted funds are subject to restrictions defined by the donor.

Incoming Resources

All income is accounted for when there is entitlement, probability and measurement. Entrance fees, shop income and charitable donations are recorded on a receivable basis. Income from conferencing, archives, workshops, education and bank interest are recorded on an accrued basis. Museum income relates to entrance fees received during the year for visitors. Archive fees relate to amounts invoiced during the year for archive material including drawings, production and research information. Trading income relates to invoices for conferencing, archive certificates, shop and workshop income.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.





Notes to the Financial Statements (continued)

Year ended 31 December 2020

1. Accounting Policies (continued)

Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Support Costs

Support costs which also include governance costs have been allocated by percentage of floor space, see note 11.

Reserves

The reserves for the year are detailed in notes 23-27. The Trustees regularly review at each quarterly board meeting the level of reserves available to ensure that they are appropriate to the needs of BMIHT. The reserves currently are in excess of the requirements of BMIHT to safely manage any unforeseen proportional events based on the running costs of BMIHT.

BMIHT holds unrestricted reserves of £6,380,520 (2019: £7,499,251), restricted reserves of £6,250,093 (2019: £6,182,095) and designated reserves of £511,110 (2019: £528,314).

Volunteers

Contributions from general volunteers are gratefully utilised by BMIHT to complement the work of paid staff and help complete tasks that would otherwise be neglected. Volunteers assist BMIHT with guiding visitors around the Museum and Collections Centre, relaying key information about the site and collections both formally and informally. They also assist with vehicle restoration projects, oral history collection and collections care.

Pension

The retirement benefits of employees hired before 18 June 2012 are members of the Land Rover Defined Benefit Pension scheme, see note 29 for more detail. BMIHT does not incur costs or any liability for actuarial valuations, only the percentage contribution of the employee's salaries in the scheme.

Employees of the company hired on or after 18 June 2012 are eligible to join a separate defined contribution pension. The costs in respect of this are charged to the statement of financial activities as incurred.

2. Critical Accounting Judgements and Estimations

In the application of the accounting policies detailed in note 1 the Trustees are required to make judgements and assumptions regarding the carrying amount of assets and liabilities not readily apparent. The judgements are based on experience, industry knowledge and other factors considered relevant. Actual results may differ from these estimates. These estimates are reviewed on an on-going basis with revisions recognised in the period of revision and future periods if applicable.

The following judgements have been made in the process of applying accounting policies with the most significant effect on the financial statements.

Depreciation

BMIHT exercises judgement to determine the useful life and residual value of tangible assets to calculate depreciation.

Impairment

BMIHT tests whether assets have suffered any impairment; these tests require the use of judgement for fair value, useful life and residual value.

Gifts in Kind

BMIHT uses available knowledge, experience and expertise when making a judgement as to the best way to value a gift in kind when no clear method is available.

Heritage Assets

When a heritage asset valuation is available and the cost of the valuation is commensurate with the benefits to users of the financial statements BMIHT values at cost if purchased or fair value if donated at the time of acquisition. Where no cost is available the Curator will use expertise and industry knowledge to make a judgement. In the cases such as prototypes where no possible value can be estimated it is held on the balance sheet at £1.

3. Donations

Donations and Gifts

Donations and gifts in 2020 totalled £335,715 (2019: £610,189) as follows: Restricted Gifts in kind of £73,183 (2019: £60,418), see note 5, a donation of £31,500 (2019: £17,500) for Heritage Assets gifted to BMIHT. £231,032 (2019: £532,271) received in total from Gift Aided entrance fees and reclaim amount.





Notes to the Financial Statements (continued)

Year ended 31 December 2020

3. Donations (continued)

Grants

The donation from the trading subsidiary of £10,197 (2019: £1,609,940) has been eliminated on consolidation in the SOFA.

Grants in 2020 totalled £584,446 (2019: £483,152), comprising of an Archives Revealed cataloguing grant of £779 (2019: £14,732), a National Portfolio Organisation grant of £224,048 (2019: £220,000), a National Memorial Heritage Fund grant of £nil (2019: £249,200), a Cultural Recovery Fund grant of £353,500 (2019: £nil) and a Local Restrictions Support Grant of £6,118 (2019: £nil)

If any grants are awarded in the period they will be recognised in the same period as the incoming resources are received to the extent to which they have either been received in the period or to the extent to which future stage receipts can be viewed as probable based on any grant conditions which are within BMIHT's control being satisfied or there is sufficient evidence that the conditions will be met. As a result the expenditure to which the grants are given is not matched and therefore may be recognised in a later period to the grant income.

Grants which are given to provide a fixed asset are recognised as incoming resources in the period they

are received. When the use of the asset is restricted, a restricted reserve is created and this fund is reduced over the useful economic life of the asset in line with depreciation in accordance with Charities SORP.

Any interest received on grants while invested such as in deposit accounts will also be restricted and utilised as the grant would be utilised.

Coronavirus Job Retention Scheme

In 2020, due to the unprecedented emergence of an infectious disease, the Coronavirus, the UK government responded with a number of initiatives to support businesses through the ensuing pandemic as business were forced to close to save lives. The Coronavirus Job Retention Scheme allowed businesses to furlough employees and claim up to 80% of their wages through the scheme. In 2020 BMIHT received a grant of £205,709 (2019: £nil).

4. Charitable Activities

Charitable activities consist of museum, archive and education income. Museum income relates to payments to access the Museum, education income consists of sales with regards to the educational programs and archive income relates to sales of licences to use photos and film from the Archive.

5. Gifts in Kind

Gifts in kind are goods or services received by BMIHT free of charge and used in the pursuit of its objects.

	2020	2019
	£	£
Systems consultancy	13,382	13,119
Taxation services	4,181	4,099
Audit fees	27,000	18,000
Vehicle rental	28,620	25,200
Total	73,183	60,418

BMIHT has a rent agreement with JLR for the use of the British Motor Museum premises and site which states a peppercorn rent.

JLR also provides BMIHT with a variety of specialised services that BMIHT does not fund for itself. Information technology and taxation services are received from the JLR central departments that operate these services. Vehicles are also lent to BMIHT that are used as 'pool' cars. Auditor's remuneration is borne by JLR and is not recharged.

Gifts in kind are included in the donations and gifts line in the SOFA. The expenditure for the revenue items have been split between Support costs £51,960 (2019: £42,897) and raising funds £21,223 (2019: £17,521).





Notes to the Financial Statements (continued)
Year ended 31 December 2020

6. Subsidiary Undertaking

BMIHT owns the entire issued ordinary share capital, consisting of two ordinary shares of £1 each in BMIHC, which principally provides conferencing, meeting and banqueting services in the United Kingdom. The subsidiary donates its taxable profits to BMIHT by Gift Aid. Its trading results for the year, as extracted from the audited financial statements, are summarised below:

	2020	2019
	£	£
Turnover	1,255,793	3,594,885
Cost of sales	(308,104)	(678,579)
Gross profit	947,689	2,916,306
Administration expenses	(932,897)	(1,315,443)
Profit before tax	14,792	1,600,863
Taxation	-	-
Profit after taxation	14,792	1,600,863

	2020	2019
	£	£
Total assets	659,930	874,651
Total liabilities	(629,387)	(848,703)
Net assets	30,543	25,948

7. Trading Company Income

Details of the trading income and a prior year comparison are listed below.

	2020	2019
	£	£
Conference & catering operations	606,265	3,102,280
Shop	83,950	188,159
Workshops	2,650	9,691
Archives	296,654	285,896
Total	989,519	3,586,026

Within the turnover line (note 6), there is an additional £266,274 (2019: £8,859) other income which relates to catering concessions of £1,000 (2019: £8,167) Coronavirus Job Retention Scheme of £264,288 (2019: £nil) and other sundry income of £986 (2019: £692) which in the consolidated SOFA is within other income, analysed further in note 9.





Notes to the Financial Statements (continued)
Year ended 31 December 2020

8. Tax on Result of Trading Subsidiary Ordinary Activities

There is a £nil tax charge for 2020 (2019: £nil) explained below:

Factors affecting the tax charge for the year

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%).

	2020	2019
	£	£
Profit on ordinary activities before tax	14,792	1,600,863
Current tax charge for the year:		
Profit on ordinary activities at standard rate of UK corporation tax at 19.00% (2019: 19.00%)	2,811	304,164
Tax effect of expenses not deductible for tax purposes	85	2,874
Tax effect of other items attracting no tax relief or liability	(958)	(1,149)
Tax relief for Gift Aid donation	(1,938)	(305,889)
Total	-	-

Factors that may affect future tax charges

The latest rates substantively enacted by the balance sheet date being 19% with effect from 1 April 2019 and 19% effective from 1 April 2020. The closing deferred tax assets and liabilities have been calculated at 18%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

It has been announced in the 2020 Budget that the corporation tax main rate will remain at 19% for the year starting 1 April 2021.

9. Other Income

	2020	2019
	£	£
License fees and royalties	1,051	281
Sponsorship	-	10,000
Catering concessions	1,000	8,167
JDHT Collection Centre charge & storage	26,968	33,944
Coronavirus Job Retention Scheme	264,288	-
Other items	1,192	44,705
Total	294,499	97,097

Other items include contractor compound lease charge to JLR of £nil (2019: £15,000) and car park rental charge to JLR of £nil (2019: £21,676).





Notes to the Financial Statements (continued)
Year ended 31 December 2020

10. Cost of Raising Funds

	<i>Unrestricted</i>		<i>Restricted</i>	2020	2019
	Activities undertaken directly	Support costs	Support costs		
	£	£	£	£	£
Total	1,070,951	645,846	21,223	1,738,020	2,643,849

Support costs are those activities undertaken across the business and are not associated within a single part of BMIHT or BMIHC such as marketing, finance, site services and management. The restricted support costs are due to gifts in kind.

11. Cost of Charitable Activities

Activity or programme	<i>Unrestricted</i>		<i>Restricted</i>		2020	2019
	Activities undertaken directly	Support costs	Support costs	Grant funding of activities		
	£	£	£	£	£	£
Motor Museum	183,388	1,210,882	46,837	557,608	1,998,715	2,536,201
Archive	93,352	104,408	4,391	780	202,931	401,516
Education	1,117	17,401	732	-	19,250	33,922
Total	277,857	1,332,691	51,960	558,388	2,220,896	2,973,639

Support cost breakdown by activity

	Motor museum	Archive	Education	2020	2019
	£	£	£	£	£
Support costs unrestricted					
Finance	216,074	20,257	3,376	239,707	294,833
Marketing	99,716	9,348	1,558	110,622	169,110
Insurance	33,318	3,123	521	36,962	49,138
Information technology	24,154	2,265	377	26,796	34,944
Management	33,290	3,121	520	36,931	105,724
Facilities	740,332	60,294	10,049	810,675	1,160,233
Governance	63,998	6,000	1000	70,998	31,418
Total unrestricted	1,005,173	104,408	17,401	1,126,982	1,845,400
Support costs restricted					
Donations in Kind	46,837	4,391	732	51,960	42,897
Total support costs	1,052,010	108,799	18,133	1,178,942	1,888,297

Support costs are allocated by percentage of floor space 29% trading company, 64% Museum, 6% Archive and 1% Education and includes governance costs as per SORP 2019.





Notes to the Financial Statements (continued)
Year ended 31 December 2020

12. Employee Information

	2020	2019
	£	£
Salaries	1,873,405	2,371,895
National insurance	155,005	193,503
Pension contributions	178,087	264,999
Total	2,206,497	2,830,398

For the retirement benefits of the employees see note 29.

The number of employees whose emoluments exceeded £60,000 was:

Group	2020	2019
	Number	Number
£60,001 - £70,000	1	1
£70,001 - £80,000	0	1
£80,001 - £90,000	0	2
£90,001 - £100,000	2	-
£100,001 - £110,000	0	1

These employees are accruing benefits under the Land Rover Defined Benefit Pension scheme. Pension contributions made were £36,818 (2019: £77,806), see note 29 for further details.

The average number of employees, employed in pursuit of BMIHT's objects was 87 (2019: 99), broken down as:

	2020	2019
	Number	Number
Museum	30	30
Education	6	5
Archive	6	8
Management & administration	13	13
Trading activities	32	43
	87	99

The combined key management personnel remuneration of the 5 (2019: 5) senior managers (see page 12) is:

	2020	2019
	£	£
Salaries	325,044	363,393
National insurance	36,522	38,077
Pension contributions	49,348	75,272
Total	410,914	476,742





Notes to the Financial Statements (continued)
Year ended 31 December 2020

13. Analysis of Total Expenditure

	2020	2019
	£	£
Salaries	2,224,684	2,852,556
Cost of sales	190,956	472,233
Depreciation	579,501	538,457
Expenses	963,774	1,754,242
Total	3,958,915	5,617,488

14. Investments

	Group	Group	Trust	Trust
	2020	2019	2020	2019
	£	£	£	£
Investment in charity fund				
Market value brought forward	2,800,868	2,483,848	2,800,868	2,483,848
Additions	-	-	-	-
Add loss/net gain on revaluation	202,119	317,020	202,119	317,020
Market value carried forward	3,002,987	2,800,868	3,002,987	2,800,868
Investment in subsidiary undertaking	-	-	2	2
Total	3,002,987	2,800,868	3,002,989	2,800,870

The Charity acquired all of the issued share capital of British Motor Industry Heritage Centre Limited (a company incorporated in England and Wales) on 28 November 2000 for a consideration of £2. The principal activity of the company is the provision of conference facilities.

In 2010 BMIHT appointed Cazenove as their investment advisors investing £1,000,000 in the Cazenove Charity Multi Asset Fund. In 2013 BMIHT invested an additional £729,512 transferred from their Instant Access Account.

15. Net Incoming Resources

This is stated after charging:	2020	2019
	£	£
Depreciation of tangible assets	579,502	538,457
Operating lease charges - plant and machinery	2,386	6,876
Fees payable to the company's auditor for the audit of the company's financial statements	27,000	18,000

BMIHT incurred no non-audit fees for the current year (2019: £nil).





Notes to the Financial Statements (continued)

Year ended 31 December 2020

16. Heritage Assets

Heritage assets relate to the collection of motor cars, motoring related artefacts and archive material held at the British Motor Museum to fulfil its charitable objectives to collect, conserve, research and display for the benefit of the nation such assets. A Collections Development Policy approved at the April 2019 board meeting governs these assets.

Current collections constitute two distinct groups, the motor vehicles being one and artefacts and archive material being the other. The vehicle collection of 326 is a unique collection covering a span of more than one hundred years which describe the British motor industry from the earliest products to the latest models. The artefacts and archive collection includes technical documents, magazines, manuals and other documents and is one of the largest and most comprehensive collections of photographic images and moving film anywhere with more than one million images.

The current Collections Development Policy is two-fold:

- to continue to widen the scope of the collections to items from companies outside of the British Leyland sphere; and
- to continue to acquire supporting artefacts and documentation for the motor vehicles in order to improve the interpretation of the role of the motor industry in all aspects of British life.

The criteria for the acquisition of an item for the collections are classified in four main areas; historical interest; technical interest; social impact; and, condition and usability.

The Curator and Archivist are BMIHT's principal officers for making decisions on acquisitions for the relevant collections. For acquisitions outside of their budgetary control BMIHT's Board of Trustees may be required to make a controlling decision. They are also responsible for setting the preservation and management of the collections guided by the UK Museum Collections Management Guide and PD5454:2012 which also guides the decision on disposals which must be agreed by the Board of Trustees.

Viewing of the entirety of the vehicles is now possible in the Museum and Collections Centre while the archive collection is possible on-line, through the reading room or appointment.

The motor vehicle assets are valued at cost if purchased and at fair value if donated and as long as the cost to do is commensurate with the benefits to the users of the financial statements at the date of acquisition and shown in the table below:

	At valuation total
	£
Carrying amount at the beginning of the period	2,372,139
Additions	-
Donations	31,500
Carrying amount at reporting date	2,403,639

In 2020 BMIHT was gifted 4 vehicles (2019: 2), purchased 0 vehicles (2019: 1) and disposed 0 vehicles (2019: 0)

The table below shows the summary analysis of heritage asset transactions:

	2020	2019	2018	2017	2016
	£	£	£	£	£
Additions	-	280,000	1,054	16,500	25,000
Donations	31,500	17,500	11,500	15,000	594,630
Impairment	-	-	-	-	-
Revaluation	-	-	-	-	-
Carrying Value	2,403,639	2,372,139	2,074,639	2,062,085	2,030,585

The artefact and archive collection which consists of millions of documents would be impossible to value and the cost to do so would not be commensurate with the benefit to the users of the accounts and so is not recorded.





Notes to the Financial Statements (continued)

Year Ended 31 December 2020

17. Tangible Assets

Group	Land & buildings £	Equipment £	Fixture & Fitting £	Exhibitions £	Total £
Cost					
At 1 January 2020	7,693,861	892,177	1,822,220	1,339,377	11,747,635
Additions	-	75,224	84,083	-	159,307
Disposals	-	-	-	-	-
At 31 December 2020	7,693,861	967,401	1,906,303	1,339,377	11,906,942
Accumulated depreciation					
At 1 January 2020	2,552,737	465,468	913,142	633,144	4,564,491
Disposals	-	-	-	-	-
Charge for the year	310,511	85,077	122,172	61,742	579,502
At 31 December 2020	2,863,248	550,545	1,035,314	694,886	5,143,993
Net book value at:					
31 December 2020	4,830,613	416,856	870,989	644,491	6,762,949
31 December 2019	5,141,124	426,709	909,078	706,233	7,183,144

A review of the fixed asset register in 2019 saw the creation of four new asset classes of Land & Buildings, Equipment, Fixtures & Fittings and Exhibitions. The new asset classes will be reviewed on a regular basis to ensure they are fit for purpose.

18. Stock

Stock held at year-end is either catering stock of ingredients and products to be sold in the café or gift shop products. There is no material difference between the replacement cost of stock and the net realisable value.

	2020 £	2019 £
Catering stock	12,744	18,407
Shop stock	46,124	48,306
Total Stock	58,868	66,713

19. Debtors

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
Amounts falling due within one year				
Trade debtors	28,490	117,903	25,614	12,511
Amount owed by related parties	18,217	80,523	540,486	566,170
Sundry debtors	746	17,767	746	17,767
VAT recoverable	2,842	-	9,217	32,685
Prepayments and accrued income	55,748	95,102	46,788	80,238
	106,043	311,295	622,851	709,371





Notes to the Financial Statements (continued)

Year Ended 31 December 2020

20. Creditors

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
Amounts falling due within one year				
Trade creditors	46,411	88,234	34,374	55,166
Amount owed to related parties	436,906	585,952	436,906	628,082
Sundry creditors	-	7,280	-	6,817
VAT payable	-	28,127	-	-
Accruals and deferred income	142,759	313,764	54,094	86,010
	626,076	1,023,357	525,374	776,075

21. Operating Lease Commitments and Contingent Liabilities

During 2006 and 2014 the Trust entered into first charge debentures, in favour of the National Heritage Memorial Fund, in respect of their grants of £997,681 and £1,424,900 respectively. The debentures are secured on the collection of motor vehicles, artefacts and archive material and are liable to be exercised in the event that:

- The grant is used for purposes other than that for which it was granted
- BMIHT goes into insolvency
- BMIHT breaches any terms of the grants
- There is a change in ownership of the British Motor Museum

The contingent liability will be discharged after 25 years from the initial date.

22. Analysis of Cash and Cash Equivalents

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	2,070,498	(1,068,981)	1,001,517
Notice deposits (less than 3 months)	428,361	3,436	431,797
Total	2,498,859	(1,065,545)	1,433,314

The notice deposits are held in a bank account with a 30-day notice period managed by Cazenove.

23. Restricted Funds

	Group and Trust Grants for capital assets	
	2020 £	2019 £
Balance at 1 January	1,422,904	1,504,906
Incoming resources	-	-
Resources expended	(82,002)	(82,002)
Balance at 31 December	1,340,902	1,422,904

This fund has arisen due to grants received and used for the acquisition of fixed assets and will be released to match the depreciation of the assets.





Notes to the Financial Statements (continued)
Year Ended 31 December 2020

23. Restricted Funds (continued)

	Grants	
	2020	2019
	£	£
Balance at 1 January	42,872	109,672
Incoming resources	578,328	233,952
Resources expended	(346,350)	(300,752)
Balance at 31 December	274,850	42,872

During the year BMIHT received grants from Arts Council England as part of their National Portfolio Organisation status for £224,048 (2019: £220,000); Pilgrim Trust, an Archives Revealed Cataloguing grant for £779 (2019: £13,951) and a Cultural Recovery Fund grant to support costs through the pandemic for £353,500 (2019: £nil).

	Heritage assets	
	2020	2019
	£	£
Balance at 1 January	1,410,519	1,143,819
Incoming resources	31,500	297,500
Resources expended	-	(30,800)
Balance as at 31 December	1,442,019	1,410,519

Heritage assets analysis	2020	2019
	£	£
Liquid assets	323,006	323,006
Heritage assets	1,119,013	1,087,513
Balance as at 31 December	1,442,019	1,410,519

Heritage assets include a fund created after the auction of duplicate motor vehicles from BMIHT's collection in 2003. The remaining funds are held as liquid assets and will be used to broaden the collection with the acquisition of examples of heritage vehicles not already represented in the collection and in its display and interpretation.

	Group and Trust Special projects	
	2020	2019
	£	£
Balance at 1 January	2,201,174	2,149,332
Incoming resources	13,168	-
Resources expended	(126,645)	(128,158)
Balance at 31 December	1,907,697	2,021,174

BMIHT has previously received two Heritage Lottery Fund ("HLF") awards to improve the Museum and catalogue the Baldwin Collection and in 2018 received a further HLF award to construct a Collections Centre. BMIHT is due to make a contribution to all projects and this fund is set up to enable this.





Notes to the Financial Statements (continued)
Year Ended 31 December 2020

23. Restricted Funds (continued)

2020	Gifts in kind & grants - goods & services	Grants	Heritage assets	Total restricted funds	
				Special projects	Total
	£	£	£	£	£
Balance at 1 January	-	1,465,777	1,410,519	2,021,174	4,897,470
Incoming resources	73,183	578,328	31,500	13,168	696,179
Resources expended	(73,183)	(428,352)	-	(126,645)	(628,180)
Balance at 31 December	-	1,615,753	1,442,019	1,907,697	4,965,469

2019	Gifts in kind & grants - goods & services	Grants	Heritage assets	Total restricted funds	
				Special projects	Total
	£	£	£	£	£
Balance at 1 January	-	1,614,579	1,143,819	2,149,332	4,907,730
Incoming resources	60,418	233,952	297,500	-	591,870
Resources expended	(60,418)	(382,754)	(30,800)	(128,157)	(602,130)
Balance at 31 December	-	1,465,777	1,410,519	2,021,174	4,897,470

24. Restricted Revaluation Reserve

	Restricted revaluation reserve	
	2020	2019
	£	£
Balance at 1 January	1,284,625	1,284,625
Revaluation	-	-
Balance as at 31 December	1,284,625	1,284,625

The revaluation reserve was created in 2018 when the heritage assets were revalued after a change in accounting policy agreed by the Board of Trustees.

25. Designated Funds

	Property fund	
	2020	2019
	£	£
Balance at 1 January	528,314	545,518
Incoming resources	-	-
Resources Expended	(17,204)	(17,204)
Balance at 31 December	511,110	528,314

The property fund represents the net proceeds from the disposal of land and buildings at Studley which has been earmarked for the purchase of land and buildings BMIHT may wish to acquire for the furtherance of its objects and a rent premium paid by Jaguar Daimler Heritage Trust for the use of office space and store in the Collections Centre which will be released over the tenure of their lease.





Notes to the Financial Statements (continued)

Year Ended 31 December 2020

26. Unrestricted General Funds

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £	Company 2020 £	Company 2019 £
Balance at 1 January	6,792,512	7,003,840	6,766,566	6,968,817	25,946	35,025
Incoming resources	1,876,095	4,827,363	760,190	3,022,418	1,255,794	3,594,885
Resources expended	(3,196,945)	(5,038,691)	(1,880,635)	(3,224,670)	(1,251,199)	(3,603,962)
Balance at 31 December	5,471,662	6,792,512	5,441,121	6,766,565	30,541	25,946

27. Total Funds

	2020 Total £	Inter- company movement £	Restricted £	Restricted revaluation reserve £	Designated £	Unrestricted £	Unrestricted revaluation reserve £
Fixed assets	12,169,575	-	4,666,871	1,284,625	-	5,309,220	908,858
Current assets	1,598,225	(522,309)	298,597	-	511,110	1,310,827	-
Current liabilities	(626,077)	522,309	-	-	-	(1,148,385)	-
Net assets	13,141,723	-	4,965,468	1,284,625	511,110	5,471,662	908,858

	2019 Total £	Inter- company movement £	Restricted £	Restricted revaluation reserve £	Designated £	Unrestricted £	Unrestricted revaluation reserve £
Fixed assets	12,356,150	-	4,859,906	1,284,625	-	5,504,880	706,739
Current assets	3,011,473	(568,735)	37,564	-	528,314	3,014,331	-
Current liabilities	(1,157,963)	568,735	-	-	-	(1,726,698)	-
Net assets	14,209,660	-	4,897,470	1,284,625	528,314	6,792,512	706,739

Restricted funds are held between a combination of fixed assets and cash. Fixed assets consist of the Baldwin Collection, motor vehicles, leasehold improvements and archive equipment. All other balances for restricted and designated funds are held as cash.

The restricted revaluation reserve is due to the revaluation of heritage assets after a change in accounting policy by the Board of Trustees and the unrestricted revaluation reserve is gains on investment and includes a profit of £202,119 for 2020 (2019: loss of £317,020).





Notes to the Financial Statements (continued)

Year Ended 31 December 2020

28. Reconciliation of Changes in Resources to Net Cash Inflow from Continuing Operations

	2020	2019
	£	£
Net income	(1,067,937)	78,228
Adjustments for:		
Depreciation of tangible fixed assets	579,502	538,457
(Gains) on investments	(202,119)	(317,020)
Gains on donated heritage assets	(31,500)	(17,500)
Loss on fixed asset	-)	1,169
Net interest receivable	(1,293)	(6,493)
Decrease in debtors	205,252	673,800
Decrease/(increase) in stock	7,845	(16,226)
Decrease in creditors	(397,281)	(305,719)
Net cash inflow from operating activities	(907,531)	628,696

29. Pensions

The retirement benefits of employees hired before 18 June 2012 are members of the Land Rover Defined Benefit Pension scheme, the assets and liabilities of which cannot be split reliably between various group companies. The schemes' full details can be found in the Jaguar Land Rover Limited Annual Report and Financial Statements, which does not form part of this report. The basis of the funding status has been calculated in accordance with FRS 102. A monthly recharge fee relates to salary and pension costs of which the pension cost is an average of 21.15% (2019: 29.9%) of the employees' net earnings and is detailed in Note 12. The scheme is currently in a deficit, but there is no liability on the BMIHT as JLR make up any shortfall.

Employees of the company hired on or after 18 June 2012 are eligible to join a defined contribution pension scheme operated by The People's Pension which conforms to the Pensions Act 2008 whereby BMIHT will match 4% of the employees' net earnings.

30. Related Party Disclosures

JLR are two of the three members of BMIHT and therefore one of the two JLR employees on the Board of Trustees represents JLR. JLR is also the landlord providing a peppercorn lease and supports BMIHT to enable it to fulfil its objects which can be seen by the gifts in kind (note 5). JLR provides a payroll service to BMIHT and the Managing Director is JLR employee. BMIHT, via the trading company, provides JLR with meeting room facilities and site rental at an 'arm's length' commercial rate.

At the year end the amount outstanding from JLR was £nil (2019: £41,187), the amount due to JLR was £434,125 (2019: £585,832) and no amounts have been written off during the year.

JDHT have similar objectives to BMIHT, but in connection to Jaguars and Daimlers rather than the British motor industry as a whole. They operate from an office in the Collection Centre and display their vehicles in the Museum and the ground floor of the Collection Centre for which they have paid a rent premium and BMIHT benefits from. They also pay 50% of on-going charges in relation to the Collection Centre such as rates and maintenance. From time to time they purchase services such as catering from BMIHT, but the two Trusts operate side by side and share resources when appropriate.

Over the page transactions during the year are summarised on two tables.





Notes to the financial statements (continued)
Year ended 31 December 2020

30. Related Party Disclosures (continued)

Sales to related parties	JDHT	JLR	2020	JDHT	JLR	2019
	£	£	£	£	£	£
Conferencing	-	30,400	30,400	-	1,920,843	1,920,843
Catering	-	11,459	11,459	2,216	115,094	117,310
Workshop	-	475	475	188	5,230	5,418
Museum	-	2,329	2,329	-	2,267	2,267
Site	32,725	-	32,725	34,545	36,676	71,221
Total	32,725	44,663	77,388	36,949	2,080,110	2,117,059

Purchases from related parties	JDHT	JLR	2020	JDHT	JLR	2019
	£	£	£	£	£	£
Salary costs	-	1,686,723	1,686,723	-	2,866,590	2,866,590
Facility costs	-	133,129	133,129	-	203,775	203,775
Other	2,420	16,806	19,226	-	74,919	74,919
Total	2,420	1,836,658	1,839,078	-	3,145,284	3,145,284

31. Capital

BMIHT is a company limited by guarantee. Each member has undertaken to contribute a maximum of £1 to the assets of the company to meet its liabilities if called upon to do so. The total amount guaranteed by members at 31 December 2020 is £2 (2019: £2).

32. Gross Incoming Resources and Results Attributable to the Parent Charity

	2020	2019
	£	£
Total incoming resources	1,718,565	3,650,349
Net incoming resources	(1,067,936)	78,228





Notes to the Financial Statements (continued)
Year Ended 31 December 2020

33. Comparative Statement of Financial Activities for All Funds

	£	£	2020 £	£	£	2019 £
	Restricted funds	Unrestricted funds	Total	Restricted funds	Unrestricted funds	Total
Income from						
Donations						
Donations & gifts	104,683	231,032	335,715	77,918	532,271	610,189
Grants	578,328	6,118	584,446	483,152	-	483,152
Coronavirus Job Retention Scheme	-	205,709	205,709	-	-	-
	683,011	442,859	1,125,870	561,070	532,271	1,093,341
Charitable activities						
Museum income	-	232,164	232,164	-	507,734	507,734
Education income	-	7,035	7,035	-	20,322	20,322
Archive income	-	38,480	38,480	-	67,683	67,683
	-	277,679	277,679	-	595,739	595,739
Other trading activities						
Trading company income	-	989,519	989,519	-	3,586,026	3,586,026
Investments						
Bank interest	-	1,293	1,293	-	6,493	6,493
Other	-	294,499	294,499	-	97,097	97,097
Total income	888,720	1,800,140	2,688,860	561,070	4,817,627	5,378,696
Expenditure						
Raising funds	(21,223)	(1,716,797)	(1,738,020)	(17,521)	(2,626,328)	(2,626,849)
Charitable activities						
Museum costs	(604,445)	(1,394,270)	(1,998,714)	(543,824)	(1,994,377)	(2,538,201)
Archive costs	(5,171)	(197,759)	(202,931)	(26,584)	(374,932)	(401,516)
Education costs	(732)	(18,518)	(19,250)	(604)	(33,318)	(33,922)
	(610,347)	(1,610,548)	(2,220,895)	(571,012)	(2,402,627)	(2,973,639)
Total expenditure	(837,279)	(3,121,636)	(3,958,915)	(588,533)	(5,028,955)	(5,617,488)
Net income before investment gains	51,441	(1,321,496)	(1,270,055)	(27,464)	(211,328)	(238,792)
Unrealised gain on investment assets	-	202,119	202,119	-	317,020	317,020
Net income	51,441	(1,321,496)	(1,067,936)	(27,464)	105,692	78,228
Transfers between funds	(647)	647	-	-	-	-
Net movement in funds	50,794	(1,118,730)	(1,067,936)	(27,464)	105,692	78,228
Reconciliation of funds						
Total funds brought forward	6,129,287	8,080,372	14,209,659	6,156,752	7,974,680	14,131,432)
Total funds carried forward	6,180,081	6,961,642	13,141,723	6,129,287	8,080,372	14,209,659)

