



# British Motor Industry Heritage Trust

(Limited by guarantee)

## Annual Report and Financial Statements Year Ended 31 December 2021



Registered Company Number 1690117  
Registered Charity Number 286575

[britishmotormuseum.co.uk](http://britishmotormuseum.co.uk)

BRITISH  
**MOTOR**  
MUSEUM



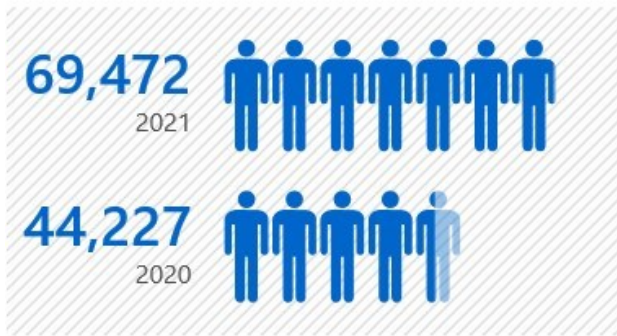
## Contents

	<b>Page</b>
<b>Key Performance Indicators</b>	<b>2</b>
<b>Chairman's Message</b>	<b>3</b>
<b>Trustees' Annual Report</b>	<b>4</b>
<b>1. Principle Objectives and Activities</b>	<b>4</b>
<b>2. Organisational Structure</b>	<b>5</b>
<b>3. Organisational Support Functions</b>	<b>5</b>
3.1. Administration	5
3.2. Site Services	5
3.3. Finance	5
3.4. Marketing	5
3.5. Information Technology	5
3.6. Human Resources	5
<b>4. Fundraising &amp; Volunteer Support</b>	<b>6</b>
<b>5. Strategic Report</b>	<b>7</b>
<b>5.1. BMIHT Annual Objectives &amp; Achievements</b>	<b>7</b>
5.1.1. Curatorial	7
5.1.2. Archive	8
5.1.3. Education and Lifelong Learning	8
5.1.4. Vehicle Restoration and Usage	9
5.1.5. Shows, Clubs and Groups	9
5.1.6. The Future	9
<b>5.2. BMIHC Annual Objectives &amp; Achievements</b>	<b>10</b>
5.2.1. Conferencing, Meetings and Banqueting	10
5.2.2. Heritage Certificate Services	10
5.2.3. Retail	10
5.2.4. Cafeteria Dining	11
5.2.5. The Future	11
<b>5.3. Financial Review</b>	<b>12</b>
5.3.1. Grants	12
5.3.2. Funds	12
5.3.3. Results for the Year	12
5.3.4. Plans for Future Periods	12
5.3.5. Going Concern	13
<b>6. Principle Risks and Uncertainties</b>	<b>14</b>
<b>7. Structure, Governance and Management</b>	<b>15</b>
7.1. Public Benefit	15
7.2. Governance	15
7.3. Structure	15
7.4. Financial Statements and Heritage Assets	15
7.5. Continuing Operations	15
<b>8. Reference and Administrative Details</b>	<b>16</b>
8.1. Support from Other Entities	16
8.2. Trustees, Officers and Advisors	16
<b>9. Trustees' Statement of Responsibilities</b>	<b>17</b>
<b>Independent Auditor's Report</b>	<b>18</b>
<b>Consolidated Statement of Financial Activities Year Ended 31 December 2021</b>	<b>21</b>
<b>Consolidated Balance Sheet Year Ended 31 December 2021</b>	<b>22</b>
<b>Charity Balance Sheet Year Ended 31 December 2021</b>	<b>23</b>
<b>Consolidated Statement of Cash Flows Year Ended 31 December 2021</b>	<b>24</b>
<b>Notes to the Financial Statements Year Ended 31 December 2021</b>	<b>25</b>



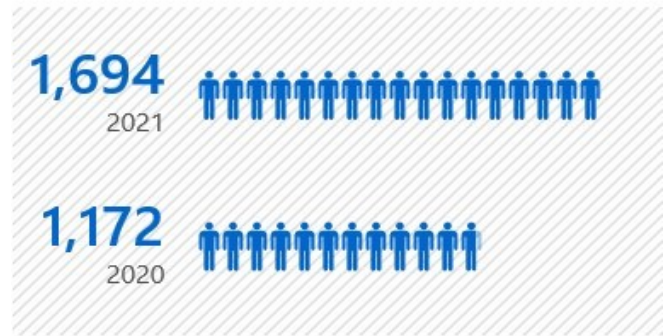


## LEISURE VISITORS



Includes Museum, Shows, Clubs and Groups

## EDUCATION VISITS



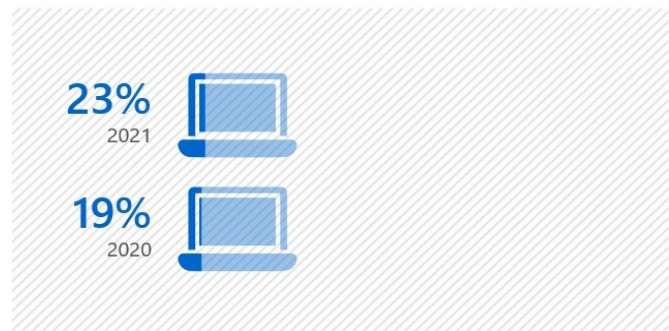
Includes Children, Teachers and Adult Learners

## GIFT AID PERCENTAGE



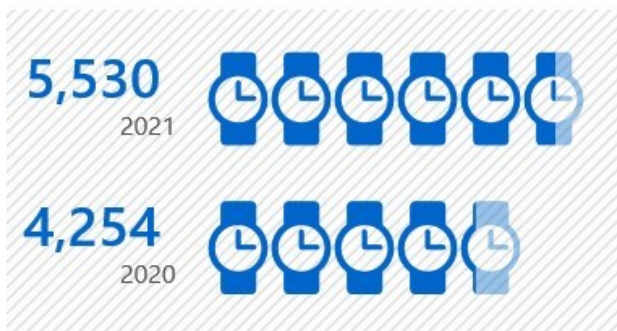
Percentage of Museum Visitor entrance income Gift Aided upon entrance to the Museum

## CONFERENCE OCCUPANCY



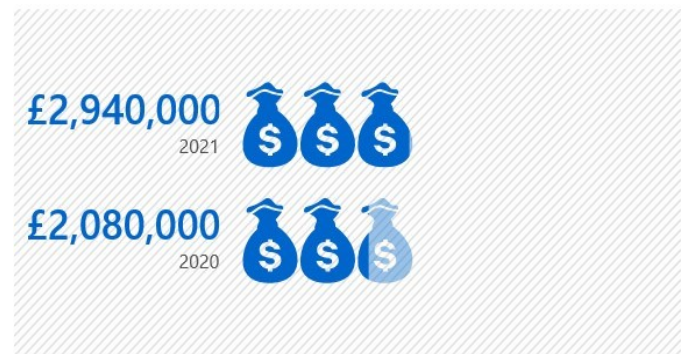
Monday to Friday Only

## VOLUNTEER HOURS



Volunteer hours utilised

## EQUIVALENT MEDIA EXPOSURE



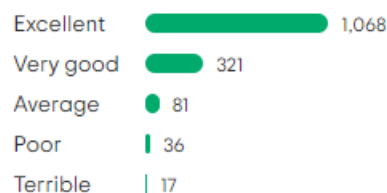
Articles and editorials in publications free of charge from press releases



Retained the Quality Assured Visitor Attraction status by VisitEngland



4.5 1,523 reviews



Rating of 4.5 on Trip Advisor, 76% (2020: 89%) of reviews rated 'Excellent'



## **Chairman's Message**

Welcome to the British Motor Industry Heritage Trust's annual report for the year ending December 2021.

The global pandemic continued to disrupt all businesses in 2021 with many, including the British Motor Museum, forced into another lockdown for the first few months of the year. However, by successfully obtaining grants, operating the business profitably when open and controlling costs I am pleased to report that the Trust remains in a financially stable position. The Trust also retained its skills, expertise and creative talent within the team at British Motor Museum whilst also widening membership of the board of Trustees, bringing in a range of new skills and capability which will serve it well in the future. Considerable effort driven by the Board of Trustees has also gone in to improving diversity and inclusion throughout the organisation with the development of policies, surveys, committees, audiences and when the opportunity has arisen, the people.

The Trust used the period of forced lockdown to develop new and exciting products and services including online retail, photo print on demand, catering and cafe innovations, weddings and other celebratory private events, online education, lifelong learning and tours, a membership scheme, evening event programmes, new weekend events, online exhibitions plus 2 new temporary exhibitions - to name but a few. Also, to ensure we could provide the very best in customer service, we introduced a new Customer Relationship Management system which is now in use across the business.

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.

A new five-year Business Strategy and Annual Plan along with a Site Infrastructure master plan were developed in 2021 which included the construction of a hotel, a second museum collection centre, museum extension, EV charging forecourt and a university satellite campus along with several internal enhancements. The new infrastructure, when complete will provide visitors with even more opportunity to be entertained, learn, eat, sleep and generally stay longer at the venue whilst providing the space for many more vehicle and archive collections to be housed and displayed.

Difficult times remain for the global economy in 2022, especially so in the culture and hospitality sectors however, I am particularly delighted with the way Trustees and the management team have continued to work 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**  
7 September 2022



## Trustees' Annual Report Year Ended 31 December 2021

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 2021.

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 2019(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 one of the worlds outstanding museums and the focal point of Britain's automotive history and culture."*

The mission is to:

*"Collect, conserve and research motor vehicles and archive material relating to the motor industry in Britain.*

*Interpret the role the automotive industry plays in social, cultural, technical, economic and environmental development in Britain.*

*Share this with local, national and international audiences for the benefit of our diverse nation and future generations."*

The strategic goals are:

*"To broaden the engagement of the British Motor Museum by:*

- Ensuring diversity and inclusivity are at the heart of the organisation; the British Motor Museum is a place for everyone.*
- Telling the stories of the people, places and products of the motor industry in Britain and its impact today and in the past.*
- Inspiring future generations through presentation and interpretation of past and future technology and innovation.*
- Ensuring the visitor experience is welcoming, engaging, fun, informative and memorable.*

*To be recognised as the leading organisation for the display and preservation of collections from Britain's motor manufacturers.*

*To develop the British Motor Museum's built environment into a world class venue with the addition of new Museum buildings and a hotel.*

*To attract 300,000 leisure and business visitors annually to the venue and Warwickshire.*

*To have financial stability and resilience through further diversification of income.*

*To be environmentally sustainable through net zero carbon operations.*

*To continue to develop a culture of health and wellbeing where staff and visitors feel safe and supported."*

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.



## Trustees' Annual Report (continued) Year Ended 31 December 2021

### 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 8.2 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 5.1 of the Trustees' Annual Report.

BMIHC is organised into four main functions following the closure of the workshop services following several years of reducing demand which will allow for greater focus on restoration of our heritage collection. The remaining functions are; conferencing, meetings, events and banqueting; heritage certificate services; retail; and cafeteria dining. Further details of these functions' responsibilities and achievements along with future plans can be found in section 5.2 of the Trustees' Annual Report.

All functions of BMIHT and BMIHC are supported by the support functions; administration; site services; finance; marketing; information technology and human resources, 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.

### 3. Organisational Support Functions

<b>3.1.</b>	<b>Administration</b>	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.
<b>3.2.</b>	<b>Site Services</b>	Site services responsibilities include, but are not restricted to: cleaning, buildings and site management; maintenance and renovation; and, cleaning and clearing the site.
<b>3.3.</b>	<b>Finance</b>	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.
<b>3.4.</b>	<b>Marketing</b>	Marketing responsibilities include, but are not restricted to: research; multi-channel/sector marketing; and, public relations and communications.
<b>3.5.</b>	<b>Information Technology</b>	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.
<b>3.6.</b>	<b>Human Resources</b>	Human resources responsibilities include, but are not restricted to: employee contracts, recruitment, training, employee wellbeing, data protection and internal communications.





**Trustees' Annual Report (continued)**  
**Year Ended 31 December 2021**

**4. Fundraising & Volunteer Support**

**Fundraising**

During 2021, BMIHT did not actively participate in any fundraising activities other than to have donation collection boxes positioned around the Museum and Collection Centre for visitors to freely donate money. Therefore, BMIHT did not engage with a professional fundraiser or commercial participator in 2021. BMIHT is however planning to develop fundraising in future periods and has created a fundraising sub-committee of the Board to explore how this may be done.

**Volunteer Support**

BMIHT's dedicated team of volunteers remained at around 80 in 2021, but recruitment is planned in 2022 with aim of growing the interaction with visitors in the main Museum by supplementing the current level of Museum Attendants with additional volunteers.

The key activity of the volunteer group is to act as guides in the Collection Centre, an activity they were able to return to when the Museum reopened in May 2021 for four days a week.

Despite the four day opening the volunteers were able to return to their other projects full-time and they were pleased to be back. It was then not

long before the Museum returned to seven days opening in mid-July.

In June, during celebrations for National Volunteers Week, eight people received their 5-year service awards for 2021 and fifteen for 2020 as their presentation was delayed due to Covid19 restrictions.

The Presentation Team continued to research and prepare a series of History Talks and, as a rehearsal, delivered them to the whole team in September and October. They went out to the Warwick Words Festival, where they had an audience of nearly 100 and delivered some talks via zoom.

September saw us filming two Volunteers as part of a recruitment campaign for West Midlands Museum Development, which will go live on their website in 2022.

The Restoration Team completed work on a large number of display engines and at the end of the year started on a new project, a 1948 A40 Chassis.

Archive, Oral History, Data and Family and Lifelong Learning Volunteers also continue to be active and contributed to the total 5,530 hours the Volunteers gave of their time over eight months in 2021.



## Trustees' Annual Report (continued) Year Ended 31 December 2021

### 5. Strategic Report 5.1. 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.

#### 5.1.1. 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**

Despite lockdowns in the early part of 2021, the social history-based exhibition 'Factor Us In' successfully launched to an open Museum in time for the summer holidays. The exhibition proved to be popular, generating interesting recollections with visitors of various generations and especially with community groups. It continues to grow with offers of objects and oral histories. Despite it being removed for the summer of 2022 our intention is to keep the exhibition alive online.

In a collaboration with Dundee Museum of Transport, 'The Car. The Future. Me' concept was integrated with displays at the 2021 UN Climate Change Conference in Glasgow. Opening over the Summer in 2022, the full exhibition will be displayed at the Dundee Museum of Transport. The Curatorial Team also negotiated the loan of our Stirling Bomber painting which in October featured at MK Gallery in Milton Keynes as part of their 'Laura Knight: A Panoramic View' exhibition.

Following on from the success of digital collections access over lockdown, the Curatorial Team continue to produce online content through social media. Following the successful launch of the online 'Metro at Forty' exhibition, work has started to produce an online version of the 'Factor Us In' exhibition to launch in 2022. Delivering online exhibitions will now form part of the team's exhibition planning strategy into the future.

With the Museum still unable to open until May 2020, work continued to maintain the collections and create an interesting and different experience for visitors when they were able to return. Part of

this programme included the maintenance and upgrade of all interactive elements within the museum. Work continued to produce more content accessible online, with progress being made on the Online Collections Gallery. Much of the back-end content has been uploaded ready for launch in 2022. Digital access to the collections was such a priority over 2021 that in October the Curatorial Team expanded the Volunteer base to provide positions to assist with digital focus.

Over the course of 2021 the Curatorial Team facilitated around ten enquiries for filming and photography of cars by the press, including more work with the BBC. The Curatorial Team was also instrumental in the relaunch of the Gaydon Gathering monthly evening event at the museum and were involved in five Gatherings between June and October. They were also heavily involved in the launch of Museum Lates, with a very successful first event being held in November 2021 and the inaugural British Motor Museum Pub Quiz, which was very well attended. The achievement of these events combined has prompted further planning to continue in 2022.

The Curatorial Team continue to build and develop the collections at the Museum with some success collecting heritage from the Longbridge site and Lord Austin's Office. The team was heavily involved over the summer of 2021 in documenting the closure of the Honda factory at Swindon. Over several visits to the site, the Curatorial and Archive teams have documented its closure, and started a programme to collect oral histories and other information around this event. Despite limitations with space the Curatorial Team secured a number of interesting and high-profile loans in 2021 including the Vauxhall Heritage Collection of around fifty cars and a Defender from the recent James Bond film 'No Time to Die'. Alongside loans, connected to the work with Honda in Swindon the museum also acquired materials from the factory, including engines, a factory model and a signed 2021 Honda Civic Type-R.





## Trustees' Annual Report (continued) Year Ended 31 December 2021

### 5. Strategic Report (continued)

#### 5.1.2. 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**

The impact of Covid19 and associated lockdowns was still very much felt in the archive for much of 2021, with the Reading Room closed for in-person visits until May.

Conservation and digitisation work was carried out on Longbridge Mini production ledgers, and microfilm reels of Austin build cards were scanned into JPEG format to preserve the microfilm and enable greater accessibility of the records.

With in-person outreach on hold for much of the year, focus continued to be directed towards online engagement. Social media output continued to be high, with campaigns including Flickr Friday and History Begins at Home. The archive blog output also continued through the year. In addition, the archive team scanned a number of documents and newspaper articles to be included in the 'Factor Us In' exhibition.

Despite the various limits on in-person visits to the archive, there was still a steady intake of donations. These included Rover Group employee documents and photographs of Metro testing at MIRA, alongside a number of smaller donations.

There were several staffing changes in the department: the Conservator was on maternity leave for much of the year, a new Assistant Archivist joined the team in July, the Archivist left in August, and a new Senior Archivist took up post in December.

#### 5.1.3. 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**

When restrictions allowed, the Learning Team were happy to discover that school groups began to return to the Museum after the disruption of

Covid19. Though lower than previous years, the participation figures for 2021 have been heartening and at the start of the academic year there was an influx of school bookings from both new and established sources. The Team is hopeful for a busier 2022.

During 2021, our trainee moved on and we have not yet been able to recruit for an increasingly busy period of delivery whilst also continuing online activities started during lockdown. However, we have been aided with school visits by fantastic volunteers who took on a number of roles including tour guides, drivers of classic cars and support during workshops. The response from schools to this addition has been very positive as it allowed us to work in small groups.

In the Autumn of 2021, the Team established the first local Teacher Panel with the intention of helping to shape the future of school provision by allowing direct input from teachers about what schools want from visits and understand schools' needs as we emerge from a period of mainly digital learning.

During the Summer holidays the HAF Club (Holiday Activities and Food) launched with Warwickshire County Council. These clubs, established during the pandemic, ensure that children in receipt of free school meals had continued access to food. The Clubs have been immensely popular with various themes including Engineer Apprentices which used remote controlled Jaguar D-types and salt powered car kits. The Learning Team and supporting learning Volunteers found these clubs rewarding especially as a large number of participants have had a range of special educational needs. We were also grateful for support from the STEM Ambassadors at MoD Kineton and to the chefs in the Museum's kitchen for providing healthy lunches.

'Life in Cars' is an intergenerational project which will help create connections with local, diverse communities and engage with young artists. This project is underway and already bringing health and wellbeing benefits to groups involved. The project will end in a community exhibition in 2022.

Holiday activities in 2021 have been delivered in a mixture of ways to suit the ever-changing Covid19 restrictions. The popular Science Shows were a mainstay along with a take home activity bag. Confidence and engagement grew as the year went on with family engagement more than doubling over 2020.



## Trustees' Annual Report (continued) Year Ended 31 December 2021

### 5. Strategic report (continued)

#### 5.1.4. 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**

2021 was a busy year for the workshop with much to catch up on after the disruptions of Covid19.

Ongoing maintenance of the BMIHT vehicle collection included the fitting of refurbished wooden wheels to the 1904 Thorneycroft and a new clutch and steering box gear for the 1927 Leyland 8. Restoration of the 1973 Ford Escort RS1600 received as a donation in 2019 has continued, with all of the initial bodywork repairs now complete.

Also during the year, we took delivery of the Vauxhall Heritage collection of fifty cars. This was a substantial job for the Workshop Team to move the cars into their new locations consisting of approximately thirty on public display and twenty in storage. The display cars needing valeting prior to display having previously been in storage.

The Restoration volunteer team have been busy working on the refurbishment of BMIHT's collection of display engines previously in storage. Twelve engines have been completed and are now on display to the public after many years.

#### 5.1.5. 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**

Despite the early impact of Covid19 restrictions, the Museum ran a full calendar of shows in 2021, of the shows planned in the year only two did not go ahead. This achievement meant that Show revenues were up versus 2020 and only just behind the revenues achieved in 2019.

Despite the difficulties presented by the pandemic over the last couple of years, the Museum's core event calendar remains intact and healthy. The team has also managed to retain events that couldn't take place during the pandemic, such as the World Cup Rally 50 year celebration which finally took place, two years later than originally planned, in May 2022.

New formats such as the free to enter Gaydon Gatherings and the Museum Lates evening events that were launched in 2021 proved very popular with great feedback from those that attended and will be further developed during 2022.

2022 will see a number of new shows that support the Museum's aim to broaden and grow audience. These include a BMW show and 'Tucked', a show for owners of modified vehicles. Both of these shows target younger audiences with a different demographic to the established show calendar.

#### 5.1.6. The Future

The immediate focus is to further realise the potential of the Museum by retaining our current customer base, while attracting new leisure and enthusiast audiences. This will not only meet the objectives of the charity, but also help to achieve financial stability while the conference and events incomes return at a slower rate.

This will be achieved through the growth of general Museum footfall while developing and expanding the show season throughout the whole year with more diverse events and a winter programme to attract new audiences. The membership scheme will be further developed as membership numbers grow and our monthly free event will continue to evolve.

Funding as a National Portfolio Organisation will again be used to deliver exhibitions and grow diversity and interaction with local communities.

A newly revised 5-year strategy will focus and guide BMIHT into the future and help realise several important goals including financial stability, raising the charitable profile and fundraising, developing diversity throughout the organisation and visitors and meeting future environmental sustainability challenges, while still effectively delivering charitable objectives.

BMIHT will continue to nurture relationships with companies in the automotive industry to expand the collection and support the industry.

With a long-term lease in place investments to develop the site, enhance the café, education and archive offers will be investigated and considered alongside environmental initiatives such as solar panels in order to meet sustainability targets and combat the effects of rising utility costs.



## **Trustees' Annual Report (continued)** **Year Ended 31 December 2021**

### **5. Strategic Report (continued)**

#### **5.2. 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.

##### **5.2.1. Conference, Meeting and Banqueting**

The British Motor Museum operates as a Conference and Events venue with 25 meeting rooms and 32 acres of grounds offering flexible spaces for corporate events as well as for private celebrations, weddings, wakes and dinners, with onsite catering to suit any need.

##### **Achievements**

Conferencing, meetings and banqueting continued to be affected by the Covid19 pandemic in the first half of 2021 which meant some members of the team continued to be furloughed to preserve company finances.

Restriction free events did not return until July 2021. As restrictions were gradually lifted, the focus of the team turned to building customer confidence while developing and implementing Covid safe measures to help clients achieve their event objectives whilst remaining safe.

September saw a return to more consistent conference business; all be it at a much lower level than seen before the pandemic. The end of the year brought further challenges in the shape of the Omicron variant which had the impact of stalling the positive progress being made by the team and driving further cancellations of bookings for December 2021 and into 2022.

Customer confidence now appears to be growing and there is strong demand for face-to-face meetings and events. Lead times, even for larger events, remain very short and this is severely impacting our visibility of revenue for future months, but March saw the team exceed £100,000 in conferencing sales revenue for the first time since February 2020. This is a really positive sign and one that we hope is indicative of the rest of 2022.

In addition to robust levels of repeat business, the team has secured a number of events from new clients. The team is also continuing to diversify revenue streams by targeting markets outside of traditional Conference, Meetings and Events with Wedding venue sales revenue secured for 2022 already at 230% of that achieved in 2021.

##### **5.2.2. 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**

The Heritage Certificate service continued to perform well throughout 2021 and demand continued to be high. By the end of the year, the total orders were 17% higher than that achieved in 2020, and 10% higher than in 2019.

With other income streams impaired by Covid19 restrictions, the Heritage Certificate service realised one of the largest incomes in 2021 and highlighted the potential in the service for future years.

##### **5.2.3. 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**

Retail revenue was largely wiped out by the closure of the Museum for the first third of 2021 from January to April. The team worked hard to maximise online retail opportunities, but this didn't fill the gap left by face-to-face retail which remains the Museum's greatest retail opportunity.

May to December saw a strong retail performance built on the back of healthy visitor numbers driven by the public's appetite for getting out after lockdown.

The Retail Team continues to focus on refining and reducing product lines, with a focus on relevance, quality and sustainability.





**Trustees' Annual Report (continued)**  
**Year Ended 31 December 2021**

**5. Strategic Report (continued)**

**5.2.4. Cafeteria Dining**

As well as banqueting services BMIHC operates a cafe 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 re-introduction of a lockdown in late 2020, the museum and café remained closed to the public until April 2021. Once again, staff were placed on furlough during this period.

As the new table service in the café flourished, some minor adjustments were made to the servery area to allow for a more efficient operation. Table service has ensured the improved quality of food served and has also meant that the food waste has dramatically reduced as items are cooked to order. To support the plated food service additional equipment was incorporated into the kitchen.

The Chef and the team continue to locally source produce and devise several menus which include additional plant-based dishes throughout the year that reflect the season, food trends and requirements of visitors.

With the relaxation of some Covid19 restrictions during 2020, the need for single use and disposable packaging for food goods reduced. Ongoing reviews of packaging to try and reduce further and ensure packaging is recyclable continued throughout 2021. All single use plastic bottles have been removed and the team continue to source new, environmentally friendly products.

The 5-star food rating together with the coeliac accreditation have been retained.

**5.2.5. The Future**

2022 will effectively be another relaunch of the British Motor Museum to the conferencing and events market as the first relaunch was curtailed after only a couple of months by the emergence of Covid19.

A culture of operational excellence will deliver class leading customer experiences to match the unique site and facilities developed before the pandemic.

Refining and growing marketing and sales activity to reach new and existing audiences with powerful compelling messages will ensure customer growth and market share especially those in the automotive and manufacturing sectors with a natural fit.

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

Work to grow within the recently entered wedding, wakes, south Asian events and special occasion markets will continue in 2022.

With BMIHT looking to grow footfall substantially, the retail and catering operations must be prepared to meet demand and maximise customer satisfaction to financially support the objectives of BMIHT. Café and show offerings will be broadened to be more audience related as well as the introduction of more plant-based options to make sure we are able to cater to all visitor requirements.

Plans to create new conference facilities and move the café to the Museum ground floor of the building creating both a public free conferencing floor and a destination for non-museum customers will be investigated and considered amongst other potential site developments.



## Trustees' Annual Report (continued) Year Ended 31 December 2021

### 5. Strategic Report (continued)

#### 5.3. Financial Review

##### 5.3.1. Grants

Grants totalling £910,205 (2020: £790,155) were received during 2021 and include:

- £nil, Archives Revealed Cataloguing Grant – Art of Selling (2020: £779);
- £224,048, National Portfolio Organisation Grant (2020: £224,048);
- £36,739, Local Restrictions Support Grant (2020: £6,118);
- £111,429, Coronavirus Job Retention Scheme (2020: £205,709); and,
- £537,989, Cultural Recovery Fund grant (2020: £353,500)

##### 5.3.2. Funds

Funds of £12,241,459 (2020: £13,141,723) of which £5,951,651 (2020: £6,250,093) is restricted and £493,905 (2020: £511,110) 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, £8,695,187 (2020: £9,166,588) 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 £361,618 (2020: £1,001,517), £433,012 (2020: £431,797) and £3,317,161 (2020: £3,002,987) 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).

##### 5.3.3. Results for the Year

With the exception of conferencing income all other income streams started to grow in 2021 as Covid19 restrictions lifted and the country started to learn to live with the virus. This meant that for the first time ever visitors to the Museum became the largest income stream supporting the objectives of the Trust and is of course a charitable objective in itself. Visitors to the Museum accounted for approximately 20% (2020: 12%) of unrestricted total income at £471,763 (2020: £232,164).

The reduction in conferencing income meant that in 2021 it only accounted for 16% (2020: 21%) of unrestricted total income at £362,344 (2020: £415,684).

Ancillary visitor services provided by the trading company accounted for 19% (2020: 14%) of unrestricted total income made up of catering income of £303,051 (2020: £190,580) and retail income of £131,506 (2020: £83,950).

Finally, certificate income from the trading subsidiary increased in 2021 to £354,957 (2020: 296,654), but remained at 15% (2020: 15%) of the unrestricted total income.

In addition to these income streams the successful award and use of several grants (see section 7.2) coupled with strict control of costs throughout the organisation ensured losses were kept to a minimum in another extremely difficult trading year.

These achievements ensure BMIHT maintains more than sufficient reserves and remains in a relatively healthy position to take advantage of development and investment opportunities and grow and diversify all income streams to aid the delivery of all the charitable objectives.

##### 5.3.4. Future Forecast

With Museum visitors returning to and exceeding 2019 pre Covid19 levels BMIHT must seek to maximise the support received from this direct income and also the associated ancillary income from the shop and café.

New audiences will be sought with plenty of success already in 2022 with two new shows and a third show in the pipeline with different audiences to our usual show calendar.

Continued review and improvement of shop stock, café products and pricing will be critical with current levels of inflation.

Fundraising, a previously untapped source of funding will be developed with the support of a Board sub-committee and by promoting BMIHT's charitable credentials previously understated.

The conferencing market is slower to return, but enquiries are increasing and sales are growing, but the very short lead times is making it very difficult to forecast. The work to diversify income by growing the wedding, wake and occasions sectors will introduce new income streams.

**Trustees' Annual Report (continued)**  
**Year Ended 31 December 2021****5. Strategic Report (continued)****5.3.4. Future Forecast (continued)**

BMIHT has managed to retain adequate reserves though that will allow BMIHT to navigate through a long recovery period and any negative but proportional setbacks should it be required. These reserves coupled with the revised five-year strategy will ensure that BMIHT has the same direction throughout the organisation and will become financially stronger allowing it to fulfil its charitable objectives effectively while improving organisational and customer diversity and environmental sustainability.

The long lease allows BMIHT the opportunity to consider investment and funding for large and exciting projects that will further develop the site and increase financial sustainability such as a new Collections Centre, hotel, café relocation, and Conference, Museum, Education and Archive expansions as well as solar panel options to negate the rising cost of utilities and vastly improve our green credentials.

**5.3.5. Going Concern**

The wider economy has gone through and is continuing to go through a volatile period of history with first the Covid19 pandemic and now the war in Ukraine and the resulting impact on fuel and food prices. Yet despite this BMIHT has been able to remain in a relatively healthy position with a positive future outlook.

Conferencing is still an area of concern as it has not yet returned to pre Covid19 levels, but enquiries are starting to increase and March 2022 was the first month since February 2020 to achieve more the £100,000 of income. Lead

times are short, so forecasting is difficult and guaranteed incomes are low, but conference income is definitely growing.

However, BMIHT has been able to maintain adequate levels of cash and cash equivalents along with available investments to ensure BMIHT can navigate a lengthy economic recovery period should this be required.

The Museum, catering and shop incomes are more encouraging though and have all returned to or exceeded the incomes achieved in 2019 before the emergence of Covid19.

To ensure going concern BMIHT will look to maximise these income streams with a focus on operational excellence and customer experience.

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

The five-year strategy document agreed by the Board of Trustees will ensure BMIHT has clear direction and remains focused on key objectives, of which financial stability is key.

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 2021

#### 6. 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 April 2022.

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>Infectious diseases</i>	<p>Safe working practices have been documented and can be employed as and if required including cleaning regimes, sanitation stations, face masks, screens, one-way systems and table service.</p> <p>Income streams that grew in the Covid19 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 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 and will be maintained.</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>
<i>Lack of consideration for environment impact</i>	<p>BMIHT have taken many actions to improve the environmental impact of the site including replacing lighting, reducing water consumption, installing solar panels and reducing food wastage.</p> <p>BMIHT is developing an environmental policy and investigating modern and innovative technology to increase the green credentials of the site.</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 2021

### 7. Structure, Governance and Management

#### 7.3. 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.

#### 7.4. 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.

#### 7.5. 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 (2020: £nil). Trustees received £10,000 (2020: £10,000) in respect of their services to BMIHT for acting as a director. This comprised of £5,000 (2020: £5,000) paid to the Managing Director and £5,000 (2020: £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 were being built up to enable the development of a new archive repository. This project has now been shelved, but it has meant that

BMIHT has been able to navigate the pandemic and retain sufficient reserves for the requirements of BMIHT to safely manage any unforeseen proportional events based on the running costs of BMIHT.

BMIHT holds unrestricted reserves of £5,795,903 (2020: £6,380,520), restricted reserves of £5,951,651 (2020: £6,250,093) and designated reserves of £493,905 (2020: £511,110).

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.

#### 7.6. Financial Statements and Heritage Assets

The statement of financial activities is set out on page 21.

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 25 to 27.

#### 7.7. Continuing Operations

The Trustees consider that the assets available are adequate to fulfil BMIHT's 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 £794,630 (2020: £1,433,314), investments of £3,317,161 (2020: £3,002,987) and consistently posted net profits before the emergence of Covid19 and will so again as restrictions are removed and visitor confidence returns. 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 2021

### 8. 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.

### 8.3. 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 Limited ("BMIHC"), who's trading address is British Motor Museum, Banbury Road, Gaydon, Warwickshire, CV35 0BJ.

Jaguar Land Rover Limited ("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 works alongside BMIHT having relocated their archive, office and collection to the British Motor Museum site. This has allowed them to display Jaguar cars in the Museum and Collections Centre adding to the offer to general public. A rent premium has been made to enable this.

### 8.4. 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 Jan 2021 &  
resigned 26 July 2022)  
Mr J.N. Kordan  
Mr J.W. Levy  
Mr A.J.P. Managhan  
Ms S.K. Rana-Grindley (appointed 26 Jan 2022)  
Ms S.F. Sevier  
Mr R.C.O. Shore  
Mr P. Singleton  
Mr K.J. Timms

#### Senior Leadership Team

Mr T. Batchelor – Head of Commerce  
Mrs A. Bruneau – Head of Operations  
Mr J.C. Coope – Managing Director  
Mr S. Laing – Head of Collections  
Mr A.J.P. Managhan – Finance Director

#### Statutory Auditor

Mazars LLP  
Two Chamberlain Square  
Birmingham  
B3 3AX

#### Bankers

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

#### Solicitors

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





**Trustees' Annual Report (continued)**  
**Year Ended 31 December 2021**

**9. 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 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.

Furthermore, so far as each of the trustees at the time the report is approved are aware:

- there is no relevant audit information of which the auditors are unaware; and,
- that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**On behalf of the Board**

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

7 September 2022



## **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 'parent charity') and its subsidiary (the 'group') for the year ended 31<sup>st</sup> December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31<sup>st</sup> December 2021 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006.**

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

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



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

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

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

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

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity's 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent charity, and its industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, employment regulation, fraud and non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group which were contrary to applicable laws and regulations, including fraud.



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

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, and the Companies Act 2006

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements including the risk of management override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to fund accounting, revenue recognition (which we pinpointed to the risk of incorrect cut off), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of the audit report**

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



David Hoose (Sep 7, 2022 17:17 GMT+1)

David Hoose (Senior Statutory Auditor) for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
First Floor, Two Chamberlain Square, Birmingham, B3 3AX  
7 September 2022




**Consolidated Statement of Financial Activities Including Income and Expenditure Account  
Year Ended 31 December 2021**

		£	£	2021 £	2020 £
	Notes	Restricted funds	Unrestricted funds	Total	Total
<b>Income from</b>					
<b>Donations</b>					
Donations & gifts		98,301	256,343	<b>354,644</b>	335,715
Grants		762,037	36,739	<b>798,776</b>	584,446
Coronavirus Job Retention Scheme		-	111,429	<b>111,429</b>	205,709
	3	860,338	404,511	<b>1,264,849</b>	1,125,870
<b>Charitable activities</b>					
Museum income		-	471,763	<b>471,763</b>	232,164
Education income		-	11,734	<b>11,734</b>	7,035
Archive income		-	16,728	<b>16,728</b>	38,480
	4	-	500,225	<b>500,225</b>	277,679
<b>Other trading activities</b>					
Trading company income	7	-	1,151,859	<b>1,151,859</b>	989,519
<b>Investments</b>					
Bank interest		-	313	<b>313</b>	1,293
<b>Other</b>					
	9	-	268,358	<b>268,358</b>	294,499
<b>Total income</b>		860,338	2,325,266	<b>3,185,604</b>	2,688,860
<b>Expenditure on</b>					
<b>Raising funds</b>	10	(18,067)	(1,579,548)	<b>(1,597,615)</b>	(1,738,020)
<b>Charitable activities</b>					
Museum costs		(1,153,556)	(1,454,548)	<b>(2,608,104)</b>	(1,998,715)
Archive costs		(3,738)	(172,785)	<b>(176,523)</b>	(202,930)
Education costs		(623)	(17,177)	<b>(17,800)</b>	(19,250)
	11	(1,157,917)	(1,644,510)	<b>(2,802,427)</b>	(2,220,895)
<b>Total expenditure</b>	13	(1,175,984)	(3,224,058)	<b>(4,400,042)</b>	(3,958,915)
Net income before investment gains		(315,646)	(898,792)	<b>(1,214,438)</b>	(1,270,055)
Unrealised gain on investment assets	14	-	314,174	<b>314,174</b>	202,119
<b>Net (loss)/income</b>		(315,646)	(584,618)	<b>(900,264)</b>	(1,067,936)
Transfer between funds	15	87,216	(87,216)	<b>-</b>	-
<b>Net movement in funds</b>		(228,430)	(671,834)	<b>(900,264)</b>	(1,067,936)
<b>Reconciliation of funds</b>					
Total funds brought forward		6,180,081	6,961,642	<b>13,141,723</b>	14,209,659
<b>Total funds carried forward</b>		5,951,651	6,289,808	<b>12,241,459</b>	13,141,723

The notes on pages 25 to 42 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 34.


**Consolidated Balance Sheet**  
**Year Ended 31 December 2021**

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	18	<b>6,255,549</b>	6,762,950
Heritage assets	17	<b>2,439,638</b>	2,403,638
Investments	14	<b>3,317,161</b>	3,002,987
		<b>12,012,348</b>	12,169,575
<b>Current assets</b>			
Stock (finished goods)	19	<b>60,573</b>	58,868
Debtors	20	<b>369,007</b>	106,043
Investments	23	<b>433,012</b>	431,797
Cash at bank and in hand	23	<b>361,618</b>	1,001,517
		<b>1,224,210</b>	1,598,225
<b>Creditors-amounts falling due within one year</b>	21	<b>(995,099)</b>	(626,077)
<b>Net current assets</b>		<b>229,111</b>	972,148
<b>Total assets less current liabilities</b>		<b>12,241,459</b>	13,141,723
<b>Net assets</b>		<b>12,241,459</b>	13,141,723
<b>Funds</b>			
Restricted	24	<b>4,667,026</b>	4,965,468
Restricted revaluation reserve	25	<b>1,284,625</b>	1,284,625
Designated	26	<b>493,905</b>	511,110
Unrestricted	27	<b>4,572,871</b>	5,471,662
Unrestricted revaluation reserve	28	<b>1,223,032</b>	908,858
<b>Total funds</b>	28	<b>12,241,459</b>	13,141,723

The financial statements along with accompanying notes of BMIHT, registered company number 1690117 and registered charity number 286575, on pages 25 to 42, were approved and authorised for issue by the Board of Trustees and signed on their behalf by:

Mr K. Timms  
 Trustee and Chairman  
 7 September 2022


**Charity Balance Sheet**  
**Year Ended 31 December 2021**

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	18	<b>6,255,549</b>	6,762,950
Heritage assets	17	<b>2,439,638</b>	2,403,638
Investments	14	<b>3,317,163</b>	3,002,989
		<b>12,012,350</b>	12,169,577
<b>Current assets</b>			
Debtors	20	<b>400,130</b>	622,851
Investments	23	<b>433,012</b>	431,797
Cash at bank and in hand	23	<b>219,813</b>	412,330
		<b>1,052,955</b>	1,466,978
<b>Creditors-amounts falling due within one year</b>	21	<b>(856,943)</b>	(525,374)
<b>Net current assets</b>		<b>196,012</b>	941,604
<b>Total assets less current liabilities</b>		<b>12,208,362</b>	13,111,181
<b>Net assets</b>		<b>12,208,362</b>	13,111,181

<b>Funds</b>			
Restricted	24	<b>4,667,026</b>	4,965,468
Restricted revaluation reserve	25	<b>1,284,625</b>	1,284,625
Designated	26	<b>493,905</b>	511,110
Unrestricted	27	<b>4,539,774</b>	5,441,120
Unrestricted revaluation reserve	28	<b>1,223,032</b>	908,858
<b>Total funds</b>	28	<b>12,208,362</b>	13,111,181

The Loss for the financial year dealt within the financial statements of the parent Charity was (£875,251) (2020: £1,072,532).

The financial statements along with accompanying notes of BMIHT, registered company number 1690117 and registered charity number 286575, on pages 25 to 42, were approved and authorised for issue by the Board of Trustees and signed on their behalf by:

Mr K. Timms  
Trustee and Chairman  
7 September 2022


**Consolidated Statement of Cash Flows**  
**Year Ended 31 December 2021**

	Notes	<b>2021</b> £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used by operating activities	29	<b>(589,069)</b>	(907,531)
<b>Cash flows from investing activities</b>			
Interest		<b>313</b>	1,293
Proceeds from sale of property, plant and equipment			
Purchase of property, plant and equipment		<b>(49,928)</b>	(159,307)
<b>Net cash used in investing activities</b>		<b>(49,615)</b>	(158,014)
<b>Change in cash and cash equivalents in the reporting period</b>	23	<b>(638,684)</b>	(1,065,545)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>1,433,314</b>	2,498,859
<b>Cash and cash equivalents at the end of the reporting period</b>	23	<b>794,630</b>	1,433,314





## Notes to the Financial Statements Year Ended 31 December 2021

### 1. Accounting Policies

BMIHT is a public benefit entity and a private company limited by guarantee, registered in England and Wales, for more information please see section 8 of the Trustees' Report.

#### Accounting Convention

The financial statements are prepared under the historical cost convention, with the exception of heritage assets (see note adjacent and note 2) and 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 2021. 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 33.

#### 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 slow conference growth, inflation and political unrest 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 and unusual growth of costs. The Trustees are also satisfied that the controls in place to monitor budgets and react to forecasts are 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 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

BMIHT holds heritage assets in accordance with Charities SORP. 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. Fair value is determined by review of sales of similar vehicles and with expert knowledge by the Head of Collections utilised by the DVLA as an authority and expert in the field of the British motor industry aided by the Curator. 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, 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.



## Notes to the Financial Statements (continued)

### Year ended 31 December 2021

#### 1. Accounting Policies (continued)

##### 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.

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
Exhibitions	10 to 20
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 2021 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 £314,174 (2020: gain of £202,119) 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 donations are recorded on a receivable basis. Income from conferencing, archives, workshops, education and bank interest are recorded on an accrued basis. Grants are recognised when received or probable (see note 3). Museum income relates to entrance fees received during the year for visitors. Archive income relates to amounts invoiced during the year for archive material including drawings, production and research information. Trading income relates to amounts invoiced during the year for conferencing, archive certificates and retail 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.



## Notes to the Financial Statements (continued)

### Year ended 31 December 2021

#### 1. Accounting Policies (continued)

##### Taxation (continued)

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.

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 24-28. 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 £5,795,903 (2020: £6,380,520), restricted reserves of £5,951,651 (2020: £6,250,093) and designated reserves of £493,905 (2020: £511,110).

##### 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 30 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 market values, 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.



## Notes to the Financial Statements (continued)

### Year ended 31 December 2021

#### 3. Donations

##### Donations and Gifts

Donations and gifts in 2020 totalled £354,644 (2020: £335,715) as follows: Restricted Gifts in kind of £62,301 (2020: £73,183), see note 5, a donation of £36,000 (2020: £31,500) for Heritage Assets gifted to BMIHT. £256,343 (2020: £231,032) received in total from Gift Aided entrance fees and reclaim amount.

##### Grants

The donation from the trading subsidiary of £35,572 (2020: £10,197) has been eliminated on consolidation in the SOFA.

Grants in 2021 totalled £910,205 (2020: £790,155), comprising of an Archives Revealed cataloguing grant of £nil (2020: £779), a National Portfolio Organisation grant of £224,048 (2020: £224,048), a Cultural Recovery Fund grant of £537,989 (2020: £353,500) and a Local Restrictions Support Grant of £36,739 (2020: £6,118). In 2020, in response to Covid19, 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 2021 BMIHT received a grant of £111,429 (2020: £205,709).

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.

#### 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.

	2021	2020
	£	£
Systems consultancy	13,656	13,382
Taxation services	4,265	4,181
Audit fees	22,000	27,000
Vehicle rental	22,380	28,620
<b>Total</b>	<b>62,301</b>	<b>73,183</b>

In 2017 BMIHT surrendered a short-term lease on 65 acres of land for a long-term lease of 135 years on 32 acres of land in return for 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 has been split between Support costs £44,234 (2020: £51,960) and raising funds £18,067 (2020: £21,223).





**Notes to the Financial Statements (continued)**  
**Year ended 31 December 2021**

**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:

	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
Turnover	<b>1,304,565</b>	1,255,793
Cost of sales	<b>(366,053)</b>	(308,104)
Gross profit	<b>938,512</b>	947,689
Administration expenses	<b>(900,384)</b>	(932,897)
Profit before tax	<b>38,127</b>	14,792
Taxation	<b>-</b>	-
<b>Profit after taxation</b>	<b>38,127</b>	14,792

	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
Total assets	<b>326,537</b>	659,930
Total liabilities	<b>(293,439)</b>	(629,387)
<b>Net assets</b>	<b>33,098</b>	30,543

**7. Trading Company Income**

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

	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
Conference & catering operations	<b>665,395</b>	606,265
Shop	<b>131,506</b>	83,950
Workshops	<b>-</b>	2,650
Archives	<b>354,957</b>	296,654
<b>Total</b>	<b>1,151,858</b>	989,519

Within the turnover line (note 6), there is an additional £152,706 (2020: £266,274) of other income which relates to catering concessions of £5,517 (2020: £1,000) Coronavirus Job Retention Scheme of £146,356 (2020: £264,288) and other sundry income of £833 (2020: £986) which in the consolidated SOFA is within other income, analysed further in note 9.



**Notes to the Financial Statements (continued)**  
**Year ended 31 December 2021**

**8. Tax on Result of Trading Subsidiary Ordinary Activities**

There is a £nil tax charge for 2021 (2020: £nil) explained below:

*Factors affecting the tax charge for the year*

The tax assessed for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%).

	<b>2021</b>	2020
	<b>£</b>	£
Profit on ordinary activities before tax	<b>38,127</b>	14,792
<b>Current tax charge for the year:</b>		
Profit on ordinary activities at standard rate of UK corporation tax at 19.00% (2020: 19.00%)	<b>7,244</b>	2,811
Tax effect of expenses not deductible for tax purposes	<b>366</b>	85
Tax effect of other items attracting no tax relief or liability	<b>(851)</b>	(958)
Tax relief for Gift Aid donation	<b>(6,759)</b>	(1,938)
<b>Total</b>	<b>-</b>	-

*Factors that may affect future tax charges*

The latest rates substantively enacted by the balance sheet date being 19% with effect from 1 April 2020 and 19% effective from 1 April 2021. 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 was announced in the 2020 Budget that the corporation tax main rate would remain at 19% for the year starting 1 April 2021.

**9. Other Income**

	<b>2021</b>	2020
	<b>£</b>	£
License fees and royalties	<b>421</b>	1,051
Heritage vehicle storage & maintenance	<b>64,327</b>	-
Catering concessions	<b>5,517</b>	1,000
JDHT Collection Centre charge & storage	<b>36,308</b>	26,968
Coronavirus Job Retention Scheme	<b>146,356</b>	264,288
Grounds maintenance	<b>12,500</b>	0
Other items	<b>2,929</b>	1,192
<b>Total</b>	<b>268,358</b>	294,499



**Notes to the Financial Statements (continued)**  
**Year ended 31 December 2021**

**10. Cost of Raising Funds**

	<i>Unrestricted</i>		<i>Restricted</i>	<b>2021</b>	2020
	Activities undertaken directly	Support costs	Support costs		
	£	£	£		£
<b>Total</b>	965,417	614,131	18,067	<b>1,597,615</b>	1,738,020

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>		<b>2021</b>	2020
	Activities undertaken directly	Support costs	Support costs	Grant funding of activities		
	£	£	£	£		£
Motor Museum	318,746	1,135,802	39,873	1,113,684	<b>2,608,104</b>	1,998,715
Archive	75,415	97,370	3,738	-	<b>176,523</b>	202,931
Education	949	16,228	623	-	<b>17,800</b>	19,250
<b>Total</b>	395,110	1,249,400	44,234	1,113,684	<b>2,802,427</b>	2,220,896

**Support cost breakdown by activity**

	Motor museum	Archive	Education	<b>2021</b>	2020
	£	£	£	£	£
<b>Support costs unrestricted</b>					
Finance	189,945	17,807	2,968	<b>210,720</b>	239,707
Marketing	74,928	7,025	1,171	<b>83,124</b>	110,622
Insurance	21,269	1,994	332	<b>23,595</b>	36,962
Information technology	23,486	2,202	367	<b>26,055</b>	26,796
Management	981	92	15	<b>1,088</b>	36,931
Facilities	764,856	62,594	10,432	<b>837,882</b>	810,675
Governance	60,337	5,656	943	<b>66,936</b>	70,998
<b>Total unrestricted</b>	1,135,802	97,370	16,228	<b>1,249,400</b>	1,332,691
<b>Support costs restricted</b>					
Donations in Kind	39,873	3,738	623	<b>44,234</b>	51,960
<b>Total support costs</b>	1,175,675	101,108	16,851	<b>1,293,634</b>	1,384,651

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 2021**

**12. Employee Information**

	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
Salaries	<b>1,781,891</b>	1,873,405
National insurance	<b>148,990</b>	155,005
Pension contributions	<b>171,182</b>	178,087
<b>Total</b>	<b>2,102,063</b>	2,206,497

For the retirement benefits of the employees see note 30.

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

<b>Group</b>	<b>2021</b>	2020
	<b>Number</b>	<b>Number</b>
£60,001 - £70,000	<b>0</b>	1
£70,001 - £80,000	<b>1</b>	0
£90,001 - £100,000	<b>1</b>	2

These employees are accruing benefits under the Land Rover Defined Benefit Pension scheme. Pension contributions made were £32,698 (2020: £36,818), see note 30 for further details.

The average number of employees, employed in pursuit of BMIHT's objects was 88 (2020: 87), broken down as:

	<b>2021</b>	2020
	<b>Number</b>	<b>Number</b>
Museum	<b>27</b>	30
Education	<b>5</b>	6
Archive	<b>3</b>	6
Management & administration	<b>17</b>	13
Trading activities	<b>36</b>	32
	<b>88</b>	87

The combined key management personnel remuneration of the 5 (2020: 5) senior managers (see page 16) is:

	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
Salaries	<b>316,856</b>	325,044
National insurance	<b>33,823</b>	36,522
Pension contributions	<b>52,650</b>	49,348
<b>Total</b>	<b>403,329</b>	410,914

Trustees' expenses in the year totalled £nil (2020: £nil). Trustees received £10,000 (2020: £10,000) in respect of their services to BMIHT for acting as a director. This comprised of £5,000 (2020: £5,000) paid to the Managing Director and £5,000 (2020: £5,000) paid to the Finance Director, as authorised in the Memorandum and Articles of Association section 5(c).





**Notes to the Financial Statements (continued)**  
**Year ended 31 December 2021**

**13. Analysis of Total Expenditure**

	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
Salaries	<b>2,126,250</b>	2,224,684
Cost of sales	<b>332,741</b>	221,702
Depreciation	<b>557,329</b>	579,501
Expenses	<b>1,383,722</b>	933,028
<b>Total</b>	<b>4,400,042</b>	3,958,915

**14. Investments**

	<b>Group</b>	Group	<b>Trust</b>	Trust
	<b>2021</b>	2020	<b>2021</b>	2020
<b>Investment in charity fund</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Market value brought forward	<b>3,002,987</b>	2,800,868	<b>3,002,987</b>	2,800,868
Additions	-	-	-	-
Add loss/net gain on revaluation	<b>314,174</b>	202,119	<b>314,174</b>	202,119
Market value carried forward	<b>3,317,161</b>	3,002,987	<b>3,317,161</b>	3,002,987
Investment in subsidiary undertaking	-	-	<b>2</b>	2
<b>Total</b>	<b>3,317,161</b>	3,002,987	<b>3,317,163</b>	3,002,989

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. Transfer Between Funds**

A transfer of funds is required due to a misallocation of funds upon receipt. The advanced rent premium paid by JDHT has been designated, but released against a restricted asset in the balance sheet creating the need for a transfer between the two funds.

**16. Net Incoming Resources**

This is stated after charging:	<b>2021</b>	2020
	<b>£</b>	<b>£</b>
Depreciation of tangible assets	<b>557,329</b>	579,502
Operating lease charges - plant and machinery	<b>3,398</b>	2,386
Fees payable to the company's auditor for the audit of the company's financial statements	<b>22,000</b>	27,000

BMIHT incurred no non-audit fees for the current year (2020: £nil).



## Notes to the Financial Statements (continued)

### Year ended 31 December 2021

#### 17. 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 327 (2020: 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 Head of Collections supported by 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 also 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:

	<b>At valuation total</b>
	<b>£</b>
Carrying amount at the beginning of the period	<b>2,403,639</b>
Purchases	-
Donations	<b>36,000</b>
Carrying amount at reporting date	<b>2,439,639</b>

In 2021 BMIHT was donated 1 vehicle (2020: 4). There were no purchases or disposals.

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

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Additions	-	-	280,000	1,054	16,500
Donations	<b>36,000</b>	31,500	17,500	11,500	15,000
Impairment	-	-	-	-	-
Revaluation	-	-	-	-	-
<b>Carrying Value</b>	<b>2,439,639</b>	<b>2,403,639</b>	<b>2,372,139</b>	<b>2,074,639</b>	<b>2,062,085</b>

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



**Notes to the Financial Statements (continued)**  
**Year Ended 31 December 2021**

**18. Tangible Assets**

Group	Land & buildings £	Equipment £	Fixture & Fitting £	Exhibitions £	Total £
<b>Cost</b>					
At 1 January 2021	7,693,861	967,401	1,906,303	1,339,377	<b>11,906,942</b>
Additions	-	17,327	32,601	-	<b>49,928</b>
Disposals	-	-	-	-	<b>-</b>
At 31 December 2021	7,693,861	984,728	1,938,904	1,339,377	<b>11,956,870</b>
<b>Accumulated depreciation</b>					
At 1 January 2021	2,863,248	550,545	1,035,314	694,886	<b>5,143,993</b>
Disposals	-	-	-	-	<b>-</b>
Charge for the year	310,511	71,914	113,162	61,742	<b>557,329</b>
At 31 December 2021	3,173,759	622,459	1,148,476	756,628	<b>5,701,322</b>
<b>Net book value at:</b>					
<b>31 December 2021</b>	<b>4,520,102</b>	<b>362,269</b>	<b>790,428</b>	<b>582,749</b>	<b>6,255,548</b>
<b>31 December 2020</b>	<b>4,830,613</b>	<b>416,856</b>	<b>870,989</b>	<b>644,491</b>	<b>6,762,949</b>

BMIHT has no freehold, but does hold a long-term lease on the site and associated buildings. The site and main Museum building do not make up part of the balance as a peppercorn rent is paid to JLR for the lease. The main balance relates to the erection of the Collection Centre in 2015 with a NBV of £2.78 million, the rest of the balance is made up of additions, alterations and refurbishments to the site and buildings during BMIHT's tenure.

**19. Stock**

Stock held at year-end is either 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.

	<b>2021</b> £	2020 £
Catering stock	<b>16,805</b>	12,744
Shop stock	<b>43,768</b>	46,124
<b>Total Stock</b>	<b>60,573</b>	58,868

**20. Debtors**

	<b>Group</b> <b>2021</b> £	Group 2020 £	<b>Trust</b> <b>2021</b> £	Trust 2020 £
<b>Amounts falling due within one year</b>				
Trade debtors	<b>127,526</b>	28,490	<b>46,125</b>	25,614
Amount owed by related parties	<b>82,765</b>	18,217	<b>198,721</b>	540,486
Sundry debtors	<b>75,643</b>	746	<b>75,643</b>	746
VAT recoverable	-	2,842	<b>5,861</b>	9,217
Prepayments	<b>83,073</b>	55,748	<b>73,780</b>	46,788
	<b>369,007</b>	106,043	<b>400,130</b>	622,851



## Notes to the Financial Statements (continued)

### Year Ended 31 December 2021

#### 21. Creditors

	Group 2021 £	Group 2020 £	Trust 2021 £	Trust 2020 £
<b>Amounts falling due within one year</b>				
Trade creditors	128,943	46,411	104,098	34,374
Amount owed to related parties	611,664	436,906	611,664	436,906
Sundry creditors	7,268	-	6,909	-
VAT payable	25,024	-	-	-
Accruals and deferred income	137,353	67,074	128,085	50,720
Deferred income	84,847	75,686	6,187	3,374
	<b>995,099</b>	<b>626,077</b>	<b>856,943</b>	<b>525,374</b>

Deferred income relates to deposits paid for future conferences and Museum visits that may or may not go ahead in future periods.

#### 22. Operating Lease Commitments and Contingent Liabilities

Payments totalling £28,635 (2020: £nil) are committed at the end of the year to be made during subsequent years in respect of operating leases for tangible assets other than land and buildings, namely telephone handsets. The expiry of these contracts is as follows:

	Commitments under operating leases	
	2021 £	2020 £
Within one year	8,559	-
Between two and five years	20,076	-

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.

#### 23. Analysis of Cash and Cash Equivalents

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	1,001,517	(639,899)	361,618
Notice deposits (less than 3 months)	431,797	1,215	433,012
<b>Total</b>	<b>1,433,314</b>	<b>(638,684)</b>	<b>794,630</b>

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



**Notes to the Financial Statements (continued)**  
**Year Ended 31 December 2021**

**24. Restricted Funds**

	<b>Group and Trust</b>	
	<b>Grants for capital assets</b>	
	<b>2021</b>	2020
	<b>£</b>	£
Balance at 1 January	<b>1,340,902</b>	1,422,904
Incoming resources	-	-
Resources expended	<b>(82,002)</b>	(82,002)
<b>Balance at 31 December</b>	<b>1,258,900</b>	1,340,902

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.

	<b>Grants</b>	
	<b>2021</b>	2020
	<b>£</b>	£
Balance at 1 January	<b>274,850</b>	42,872
Incoming resources	<b>762,037</b>	578,328
Resources expended	<b>(900,660)</b>	(346,350)
<b>Balance at 31 December</b>	<b>136,227</b>	274,850

During the year BMIHT received grants from Arts Council England as part of their National Portfolio Organisation status for £224,048 (2020: £224,048); Pilgrim Trust, an Archives Revealed Cataloguing grant for £nil (2020: £779) and a Cultural Recovery Fund grant to support costs through the pandemic for £537,989 (2020: £353,500).

	<b>Heritage assets</b>	
	<b>2021</b>	2020
	<b>£</b>	£
Balance at 1 January	<b>1,442,019</b>	1,410,519
Incoming resources	<b>36,000</b>	31,500
Resources expended	-	-
<b>Balance at 31 December</b>	<b>1,478,019</b>	1,442,019

<b>Heritage assets analysis</b>	<b>2021</b>	2020
	<b>£</b>	£
Liquid assets	<b>323,006</b>	323,006
Heritage assets	<b>1,155,013</b>	1,119,013
<b>Balance at 31 December</b>	<b>1,478,019</b>	1,442,019

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.

	<b>Group and Trust</b>	
	<b>Special projects</b>	
	<b>2021</b>	2020
	<b>£</b>	£
Balance at 1 January	<b>1,907,697</b>	2,201,174
Incoming resources	-	13,168
Resources expended	<b>(113,817)</b>	(126,645)
<b>Balance at 31 December</b>	<b>1,793,880</b>	1,907,697

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 2021**

**24. Restricted Funds (continued)**

<b>2021</b>	Gifts in kind & grants - goods & services	Grants	Heritage assets	<b>Total restricted funds</b>	
				Special Projects	<b>Total</b>
	£	£	£	£	£
Balance at 1 January	-	1,615,753	1,442,019	1,907,697	<b>4,965,469</b>
Incoming resources	62,301	762,037	36,000	-	<b>860,338</b>
Resources expended	(62,301)	(982,662)	-	(113,817)	<b>(1,158,780)</b>
<b>Balance at 31 December</b>	-	1,395,128	1,478,019	1,793,880	<b>4,667,027</b>

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

**25. Restricted Revaluation Reserve**

	<b>Restricted revaluation reserve</b>	
	<b>2021</b>	2020
	£	£
Balance at 1 January	<b>1,284,625</b>	1,284,625
Revaluation	-	-
<b>Balance at 31 December</b>	<b>1,284,625</b>	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.

**26. Designated Funds**

	<b>Property fund</b>	
	<b>2021</b>	2020
	£	£
Balance at 1 January	<b>511,110</b>	528,314
Incoming resources	-	-
Resources Expended	<b>(17,204)</b>	(17,204)
<b>Balance at 31 December</b>	<b>493,905</b>	511,110

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 in advance 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 2021**

**27. Unrestricted General Funds**

	<b>Group 2021 £</b>	Group 2020 £	<b>Trust 2021 £</b>	Trust 2020 £	<b>Company 2021 £</b>	Company 2020 £
Balance at 1 January	<b>5,471,662</b>	6,792,512	<b>5,441,121</b>	6,766,566	<b>30,541</b>	25,946
Incoming resources	<b>2,049,866</b>	1,876,095	<b>1,056,273</b>	760,899	<b>1,304,565</b>	1,255,794
Resources expended	<b>(2,948,658)</b>	(3,196,945)	<b>(1,957,620)</b>	(2,086,344)	<b>(1,302,009)</b>	(1,251,199)
<b>Balance at 31 December</b>	<b>4,572,871</b>	5,471,662	<b>4,539,774</b>	5,441,121	<b>33,097</b>	30,541

**28. Total Funds**

	<b>2021 Total £</b>	Inter- company movement £	Restricted £	Restricted revaluation reserve £	Designated £	Unrestricted £	Unrestricted revaluation reserve £
Fixed assets	<b>12,012,348</b>	-	4,492,481	1,284,625	-	5,012,210	1,223,032
Current assets	<b>1,224,210</b>	(149,421)	174,545	-	493,905	705,181	-
Current liabilities	<b>(995,099)</b>	149,421	-	-	-	(1,144,520)	-
<b>Net assets</b>	<b>12,241,459</b>	-	4,667,026	1,284,625	493,905	4,572,871	1,223,032

	<b>2020 Total £</b>	Inter- company movement £	Restricted £	Restricted revaluation reserve £	Designated £	Unrestricted £	Unrestricted revaluation reserve £
Fixed assets	<b>12,169,575</b>	-	4,666,871	1,284,625	-	5,309,221	908,858
Current assets	<b>1,598,225</b>	(522,309)	298,597	-	511,110	1,310,827	-
Current liabilities	<b>(626,077)</b>	522,309	-	-	-	(1,148,386)	-
<b>Net assets</b>	<b>13,141,723</b>	-	4,965,468	1,284,625	511,110	5,471,662	908,858

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 £314,174 for 2021 (2020: gain of £202,119).



**Notes to the Financial Statements (continued)**  
**Year Ended 31 December 2021**

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

	<b>2021</b>	2020
	<b>£</b>	£
Net income	<b>(900,264)</b>	(1,067,937)
<b>Adjustments for:</b>		
Depreciation of tangible fixed assets	<b>557,329</b>	579,502
Gains on investments	<b>(314,174)</b>	(202,119)
Gains on donated heritage assets	<b>(36,000)</b>	(31,500)
Loss on fixed asset	-	-
Net interest receivable	<b>(313)</b>	(1,293)
(Increase)/decrease in debtors	<b>(262,964)</b>	205,252
(Increase)/decrease in stock	<b>(1,705)</b>	7,845
(Decrease) in creditors	<b>(369,023)</b>	(397,281)
<b>Net cash inflow from operating activities</b>	<b>(589,069)</b>	(907,531)

**30. 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% (2020: 21.15%) of the employees' net earnings. 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.

**31. Related Party Disclosures**

Trustees' expenses in the year totalled £nil (2020: £nil). Trustees received £10,000 (2020: £10,000) in respect of their services to BMIHT for acting as a director, this comprised £5,000 (2020: £5,000) each to the Managing Director and Finance Director, as authorised in the Memorandum and Articles of Association section 5(c). Trustees do not hold shares in BMIHT.

BMIHT has made qualifying third-party indemnity provisions of £2 million in the aggregate for the benefit of its Trustees which were made during the year and remain in force at the date of this report.

JLR are two of the four 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 a 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 £57,464 (2020: £nil), the amount due to JLR was £606,235 (2020: £434,125) and no amounts have been written off during the year.



**Notes to the financial statements (continued)**  
**Year ended 31 December 2021**

**31. Related Party Disclosures (continued)**

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 on the ground floor of the Collection Centre for which they have paid upfront a rent premium and from which 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.

At the year end the amount outstanding from JDHT was £25,300 (2020: £18,217), the amount due to JDHT was £5,429 (2020: £2,852) and no amounts have been written off during the year.

<b>Sales to related parties</b>	JDHT	JLR	<b>2021</b>	JDHT	JLR	2020
	£	£	£	£	£	£
Conferencing	-	20,565	<b>20,565</b>	-	30,400	30,400
Catering	580	1,144	<b>1,724</b>	-	11,459	11,459
Archive		91	<b>91</b>			
Finance		20,000	<b>20,000</b>			
Workshop	-	-	<b>-</b>	-	475	475
Museum	-	4,500	<b>4,500</b>	-	2,329	2,329
Site	47,909	12,500	<b>60,409</b>	32,725	-	32,725
<b>Total</b>	<b>48,489</b>	<b>58,800</b>	<b>107,289</b>	<b>32,725</b>	<b>44,663</b>	<b>77,388</b>

<b>Purchases from related parties</b>	JDHT	JLR	<b>2021</b>	JDHT	JLR	2020
	£	£	£	£	£	£
Salary costs	-	1,919,074	<b>1,919,074</b>	-	1,686,723	1,686,723
Facility costs	-	301,522	<b>301,522</b>	-	133,129	133,129
Other	4,524	9,270	<b>13,794</b>	2,420	16,806	19,226
<b>Total</b>	<b>4,524</b>	<b>2,229,866</b>	<b>2,234,390</b>	<b>2,420</b>	<b>1,836,658</b>	<b>1,839,078</b>

**32. 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 2021 is £2 (2020: £2).

**33. Gross Incoming Resources and Results Attributable to the Parent Charity**

	<b>2021</b>	2020
	£	£
Total incoming resources	<b>2,230,785</b>	1,645,382
Total outgoing resources	<b>(3,133,604)</b>	(2,717,914)

BMIHT has taken the exemption available and not presented the unconsolidated profit and loss account as permitted by section 408 of the Companies Act 2006.



**Notes to the Financial Statements (continued)**  
**Year Ended 31 December 2021**

**34. Comparative Statement of Financial Activities for All Funds**

	£	£	2021 £	£	£	2020 £
	Restricted funds	Unrestricted funds	Total	Restricted funds	Unrestricted funds	Total
<b>Income from</b>						
<b>Donations</b>						
Donations & gifts	98,301	256,343	<b>354,644</b>	104,683	231,032	<b>335,715</b>
Grants	762,037	36,739	<b>798,776</b>	578,328	6,118	<b>584,446</b>
Coronavirus Job Retention Scheme	-	111,429	<b>111,429</b>	-	205,709	<b>205,709</b>
	860,338	404,511	<b>1,264,849</b>	683,011	442,859	<b>1,125,870</b>
<b>Charitable activities</b>						
Museum income	-	471,763	<b>471,763</b>	-	232,164	<b>232,164</b>
Education income	-	11,734	<b>11,734</b>	-	7,035	<b>7,035</b>
Archive income	-	16,728	<b>16,728</b>	-	38,480	<b>38,480</b>
	-	500,225	<b>500,225</b>	-	277,679	<b>277,679</b>
<b>Other trading activities</b>						
Trading company income	-	1,151,859	<b>1,151,859</b>	-	989,519	<b>989,519</b>
<b>Investments</b>						
Bank interest	-	313	<b>313</b>	-	1,293	<b>1,293</b>
<b>Other</b>	-	268,358	<b>268,358</b>	-	294,499	<b>294,499</b>
<b>Total income</b>	860,338	2,325,266	<b>3,185,604</b>	683,011	2,005,849	<b>2,688,860</b>
<b>Expenditure</b>						
<b>Raising funds</b>	(18,067)	(1,579,548)	<b>(1,597,615)</b>	(21,223)	(1,716,797)	<b>(1,738,020)</b>
<b>Charitable activities</b>						
Museum costs	(1,153,556)	(1,454,548)	<b>(2,608,104)</b>	(604,445)	(1,394,270)	<b>(1,998,715)</b>
Archive costs	(3,738)	(172,785)	<b>(176,523)</b>	(5,171)	(197,759)	<b>(202,930)</b>
Education costs	(623)	(17,177)	<b>(17,800)</b>	(732)	(18,518)	<b>(19,250)</b>
	(1,157,917)	(1,644,510)	<b>(2,802,427)</b>	(610,348)	(1,610,547)	<b>(2,220,895)</b>
<b>Total expenditure</b>	(1,175,984)	(3,224,058)	<b>(4,400,042)</b>	(631,571)	(3,327,344)	<b>(3,958,915)</b>
Net income before investment gains	(315,646)	(898,792)	<b>(1,214,438)</b>	51,440	1,321,495	<b>(1,270,055)</b>
Unrealised gain on investment assets	-	314,174	<b>314,174</b>	-	202,119	<b>202,119</b>
<b>Net income</b>	(315,646)	(584,618)	<b>(900,264)</b>	(51,440)	(1,119,376)	<b>(1,067,936)</b>
Transfers between funds	87,216	(87,216)	-	(647)	647	-
<b>Net movement in funds</b>	(228,431)	(671,834)	<b>(900,264)</b>	50,793	(1,118,729)	<b>(1,067,936)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	6,180,081	6,961,642	<b>13,141,723</b>	6,129,287	8,080,372	<b>14,209,659</b>
<b>Total funds carried forward</b>	5,951,651	6,289,808	<b>12,241,459</b>	6,180,080	6,961,643	<b>13,141,723</b>