

Charity Registration No. 299327

Company Registration No. 02206865 (England and Wales)

**TANGMERE MILITARY AVIATION
MUSEUM TRUST LIMITED**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D Coxon D Hooley K Shepherd D Smith B Thompson R Jones P Stokes	
Secretary	J Warren	
Charity number	299327	
Company number	02206865	
Registered office	Tangmere Airfield Chichester West Sussex PO20 2ES	
Auditor	Watling & Hirst Limited Cawley Place 15 Cawley Road Chichester West Sussex PO19 1UZ	
Bankers	Lloyds Bank plc East Street Chichester West Sussex PO19 1HJ	CAF Bank 24 Kings Hill Avenue Kings Hill West Malling Kent MR19 4JQ
Solicitors	Stone King LLP 91 Charterhouse Street London EC1M 6HR	
Investment advisors	Sanlam UK Limited Exchange Building St. Johns Street Chichester West Sussex PO19 1UP	

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

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TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

As the New Year entered in January hopes were high for a record breaking year. Alas they were soon dashed following the declaration by the World Health Organisation of a Pandemic courtesy of a virus named Covid 19. Due to indications that the over 70s were at greater risk of contracting the disease and given that the vast majority of our volunteers are over that age, it was decided to extend our post winter maintenance shut down from the planned re-opening on 1 February to 1 March. Using a football cliché, this action was to result in 2020 becoming a year of two halves.

The National Lockdown began on 16 March and lasted until 10 May. During this time the museum remained closed except for daily security checks and essential maintenance work required to preserve the fabric of the museum and artefacts. In strict accord with the Government guidelines, the museum opened on 3 August following the implementation of a one way system, entry by pre-booked time slots and recommended social distancing. Visitor numbers were restricted to 50 in the morning session and 50 in the afternoon with an hours close down at midday for cleaning. It was encouraging that during August the museum received an average attendance of 90 per day reducing to 65 per day in September. With numbers gradually decreasing a decision was made to close the museum early at the end of October. The total number of visitors during our open period, of 3 August to 31 October was 7,803 a severe reduction on our 2019 total of 30,777.

In December 2019 following the loss of our on-loan Sea Harrier (SHAR) an opportunity arose to acquire a notable SHAR (XZ459) with a Falklands War history of 53 combat missions from HMS Hermes with 800NAS. The deal was completed five days before the start of the first National Lockdown. With no time to arrange transportation to TMAM, XZ459 remained at her former 'private' home until we were able to recover her to TMAM on 24 August. XZ459 is currently undergoing repair and renovation subject to the current Government restrictions on museum opening.

Probably the most serious implication of Covid 19 on the museum has been the interruption to the museum development programme. We are now running one year behind our project plan and are likely to lose the 2021 window as well.

Despite the significant difficulties experienced throughout the year, the effects on the museum have been mitigated by the tremendous support received from our volunteers who have rallied round and helped to preserve the structure and security of the museum.

Finally, it is with the utmost sadness that I have to report the sudden and unexpected death of Group Captain David Baron OBE, our Chairman of 16 years, whose leadership and guidance was instrumental in making the museum what it is today. David will be sorely missed as our leader and friend.



.....
D Hooley

Date: 25 May 2021

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

On 12th June 2019 the charity changed its name to Tangmere Military Aviation Museum Trust Limited from The Tangmere Military Aviation Museum Trust.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity is principally engaged in advancing the education of the public by the display of aircraft, military equipment and artefacts relating to military aviation history.

The charity's objectives are set out in the Memorandum of Association and are as follows:

"To advance the education of the public by the construction and provision of a Museum for the public display of aircraft and aeronautical equipment and other items related to aviation and aviation history."

The Trustees confirm that they have paid due regard to the guidance given by the Charity Commission on public benefit.

The Museum exists to promote awareness of the UK military aviation heritage and to educate present and future generations in military aviation by:

- Exhibiting the history of aircraft and personnel involved in military aviation with particular reference to RAF Tangmere and its unique place in that history.
- Serving as a memorial to those allied airmen and airwomen who gave their lives in the service of this country.

The Museum aims are to:

- Secure and conserve all artefacts that together form the heritage collection.
- Present and exhibit artefacts in a respectful manner for the education of visitors.
- Monitor and review the operation with a view to ensuring a long-term future.
- Maintain a strong sense of commitment and partnership amongst all volunteers and to develop their skills and abilities in the interests of excellence.
- Build and maintain appropriate links with other relevant organisations.

In delivering these aims, the Museum is staffed entirely by volunteers. Members of the staff work across a wide range of activities including visitor services, curating the collection, education, special events and engineering.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

Having set a number of objectives for the 2020 season (February to November 2020), the announcement by the World Health Organisation, on 12 March 2020, of a pandemic due to the Covid-19 virus and the subsequent UK wide Lockdown resulting in the compulsory closure of the museum from 26 March 2020 to the 3 August 2020, effectively stopped the planned and routine activities of the museum for the vast majority of the year. Activities which were accomplished included:

- Following the release of the Museum Sector from Lockdown, the museum re-opened on 3 August in full compliance with Government's Covid protection restrictions.
- Due to falling visitor numbers the museum closed early on 31 October. During the limited opening period the museum attracted 7803 visitors which compares unfavourably to the 2019 total of 30,777.
- A Sea Harrier, XZ459 was purchased from a private owner.
- Essential conservation and maintenance has taken place on the museum's airframes when possible. However, the schedule of work on the aircraft inventory has been seriously affected by the Lockdowns and the absence of our volunteer workforce following Government 'shielding' recommendations.
- The restrictions associated with Covid-19 have also forced the postponement of the planned Museum Development programme.

Events report

Due to the pandemic all planned events for 2020 were cancelled.

Museum collection

In March the museum purchased a Sea Harrier, XZ459, a Falklands veteran of 53 combat missions whilst operating from HMS Hermes with 800 Naval Air Squadron. As a result of the Lockdown, it was not possible to recover XZ459 to the museum until August. Conservation of the aircraft has now commenced. Work continues on the construction of a replica Mk IX Spitfire cockpit and number of upgrades and improvements to electronic displays and simulators have been achieved by volunteers working from home.

Buildings and site maintenance

The popular outside air raid shelter, which was closed to visitors following a building surveyors report, has been made safe and modified to permit visitor's to experience the audio air raid experience from the entrance to the shelter.

Staff training

Following the ending of the first National Lockdown, all returning staff attended training sessions to familiarise them with the Government guidelines and the measures taken to make the museum Covid-19 safe.

Working with schools

As a direct result of the pandemic, all school visits and activities were cancelled.

Working with adults

In accordance with the Government guidelines on public meetings all talks by museum speakers were cancelled. Work is in hand to offer 'virtual' talks for the 2021 season. During the summer opening window the museum's Special Engineering Group provided on-the-job-training to a school leaver keen to forge a career in the RAF or in aircraft conservation engineering.

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

Community engagement

The pandemic halted all planned Community engagement for 2020.

Museum objectives for 2021

The charity's objectives for 2021 are as follows:-

- Continue work by the Museum's Development Committee, led by the Chairman, to review the plans for a new Visitor Centre comprising, inter alia, an enlarged shop, tea room and new lavatory facilities and a new Hangar to replace the existing Meryl Hansed Memorial Hall and Conservation hangar. To this end, the Development Committee is working closely with Chichester District council and the Tangmere Parish Council to acquire the allotment land situated to the north of the museum.
- Achieve reaccreditation with Arts Council England.
- Develop further fundraising strategy objectives.
- Commence the restoration of SHAR XV459, to be completed in time for the 2022 40th Anniversary of the Falklands conflict.
- Continue energy saving and environmental friendly practices.
- Continue the programme of introducing deputies for all key members of staff.
- Develop further collaborative projects with Chichester University and Chichester Cinema at New Park.

Financial review

The surplus for the year was £35,180 (2019: £406,512). The financial condition of the Trust as at 31 December 2020 and currently is satisfactory and the trustees consider that the Trust's financial resources are adequate to enable it to continue its activities at planned levels.

The trustees consider that it is necessary to maintain a minimal level of free reserves to cover ongoing operations (that is to say, unrestricted funds not invested in fixed assets or designated for other purposes), because the Museum is operated entirely by volunteers, and ongoing receipts from commercial activities and voluntary sources can normally be expected to cover operating and other costs. However, the Museum may develop the current site in order to create further display and visitor facilities and therefore the trustees consider it prudent to accumulate funds to finance the associated potential costs. The free reserves at 31 December 2020 amounted to £173,804 (2019 - £183,938).

The trustees prepare and review at regular intervals an appropriate register of risks to the Museum, and has established procedures for the review and approval of financial transactions. These matters are subject to ongoing review, and the trustees are satisfied that systems are in place to mitigate the Trust's exposure.

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

Structure, governance and management

The charity is a company limited by guarantee. The Trust's governing document is the Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Gp Capt D Baron O.B.E. (Deceased 24 December 2020)

D Coxon

D Hooley

K Shepherd

D Smith

B Thompson

R Jones

P Stokes

Trustees are elected by a vote, held prior to the AGM, which is usually held in April of each year, and initially serve for a period of three years. Trustees are eligible to put themselves forward for re-election at the next AGM following their three year period. As with the 2020 AGM it is anticipated that due to the effect of the virus on the operation of the museum the AGM will be held in the third quarter of 2021.

New trustees are made familiar with their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the committee and decision-making process and the recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Auditor

In accordance with the company's articles, a resolution proposing that Watling & Hirst Limited be reappointed as auditor of the company will be put at a General Meeting.

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The trustees' report was approved by the Board of Trustees.



D Hooley

Trustee

Dated: 25 May 2021

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of Tangmere Military Aviation Museum Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

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

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

Opinion

We have audited the financial statements of Tangmere Military Aviation Museum Trust Limited (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

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



Matthew Robert James Housden FCCA (Senior Statutory Auditor)
for and on behalf of Watling & Hirst Limited

9.6.21

Chartered Certified Accountants
Statutory Auditor

Cawley Place
15 Cawley Road
Chichester
West Sussex
PO19 1UZ

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Total 2019 £
<u>Income and endowments from:</u>							
Donations and legacies	3	101,317	-	101,317	49,402	-	49,402
<u>Charitable activities</u>							
Museum entrance fees	2	44,568	-	44,568	220,213	-	220,213
Investment income	4	67,917	-	67,917	88,474	-	88,474
Rent receivable	5	1,100	-	1,100	5,688	-	5,688
Total income		214,902	-	214,902	363,777	-	363,777
<u>Expenditure on:</u>							
Raising funds	7	9,783	-	9,783	11,565	-	11,565
<u>Charitable activities</u>							
Museum	6	158,320	-	158,320	222,075	-	222,075
Total charitable expenditure		158,320	-	158,320	222,075	-	222,075
Total resources expended		168,103	-	168,103	233,640	-	233,640
Net gains/(losses) on investments	11	(11,619)	-	(11,619)	276,375	-	276,375
Net movement in funds		35,180	-	35,180	406,512	-	406,512
Fund balances at 1 January 2020		1,444,832	3,000,000	4,444,832	1,038,320	3,000,000	4,038,320
Fund balances at 31 December 2020		1,480,012	3,000,000	4,480,012	1,444,832	3,000,000	4,444,832

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13	650,460		663,254	
Heritage assets	12	117,300		105,300	
Investments	14	3,538,448		3,492,340	
		<u>4,306,208</u>		<u>4,260,894</u>	
Current assets					
Stocks	15	13,069		9,231	
Debtors	16	64,749		15,975	
Cash at bank and in hand		109,717		170,611	
		<u>187,535</u>		<u>195,817</u>	
Creditors: amounts falling due within one year	17	<u>(13,731)</u>		<u>(11,879)</u>	
Net current assets			173,804		183,938
Total assets less current liabilities			<u>4,480,012</u>		<u>4,444,832</u>
Income funds					
Unrestricted funds - designated		3,000,000		3,000,000	
General unrestricted funds		1,480,012		1,444,832	
		<u>4,480,012</u>		<u>4,444,832</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 25th May 2021



D Hooley
Trustee



K Shepherd
Trustee

Company Registration No. 02206865

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(32,682)		67,058
Investing activities					
Purchase of tangible fixed assets		(26,402)		(61,653)	
Purchase of heritage assets		(12,000)		-	
Purchase of investments		(3,909,413)		(1,545,535)	
Proceeds on disposal of investments		3,851,686		1,469,372	
Interest received		67,917		88,474	
Net cash used in investing activities			(28,212)		(49,342)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(60,894)		17,716
Cash and cash equivalents at beginning of year			170,611		152,895
Cash and cash equivalents at end of year			109,717		170,611

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Tangmere Military Aviation Museum Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Tangmere Airfield, Chichester, West Sussex, PO20 2ES.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historic cost convention, modified to include the revaluation of listed investments and to include listed investments and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The financial statements include the activities and assets of the Society of Friends of the Trust.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are incoming resources which are generated for the objects of the Trust without further specified purpose and are available as General Funds.

Restricted funds are funds which have been donated or otherwise raised for particular purposes and projects. There are currently no restricted funds.

1.4 Income

Income is recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- Any performance conditions attached to the income have been met or are fully within the control of the charity;
- There is sufficient certainty concerning receipt of the income; and
- The amount can be measured reliably.

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

For legacies, entitlement is taken as the earlier of:

- The date on which the charity is aware that probate has been granted;
- The estate has been finalised and notification has been made by the executor(s) to the Museum that a distribution will be made; or
- When distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the bank.

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

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes VAT, and is reported as part of the expenditure to which it relates:

- Cost of raising funds comprises costs associated with the management of the charity's investment portfolio.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Support costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their useful lives to the Museum. The annual depreciation rates and methods are as follows:

Improvement to freehold property	straight line over 50 years
Fixtures and fittings	25% reducing balance basis
Motor vehicles	25% reducing balance basis

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Heritage assets

The artefacts comprising the Museum collection are historic in nature and fall within the definition of Heritage Assets within Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016) - (Charities SORP (FRS 102)).

The trustees considers that it would be difficult and costly to attribute values to donated artefacts because of their unique nature and they are accordingly excluded from the Balance Sheet as permitted by the Statement of Recommended Practice.

Purchased artefacts are recorded within fixed assets at cost price and are not depreciated on the basis that they are considered to have indefinite useful economic lives. An annual review is carried out to consider impairment as a result of, for example, physical deterioration or damage.

1.8 Fixed asset investments

The Museum holds listed investments for the purposes of protecting the capital value of funds held in reserve.

The Museum applies a policy of revaluation to market value.

Investments are recorded as fixed asset investments unless they are expected to be realised within a 12 month period from the balance sheet date.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Stocks

Stocks are valued at the lower of cost net realisable value.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments and bank overdrafts.

1.12 Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Charitable activities

	Museum entrance fees 2020 £	Museum entrance fees 2019 £
Museum entrance fees	44,568	220,213

3 Donations and legacies

	2020 £	2019 £
Donations and gifts	5,600	18,443
Legacies receivable	50,000	2,324
Government grant	25,000	-
Membership fees	7,298	11,646
Deed of covenant	13,419	16,989
	101,317	49,402

The grant income in the period relates to a Government Covid-19 support grant, made available to those operating in the leisure industry.

4 Investment income

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Income from listed investments	67,510	87,729
Interest receivable	407	745
	67,917	88,474

5 Rent receivable

	2020 £	2019 £
Rent receivable	1,100	5,688

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

	Museum 2020 £	Museum 2019 £
Depreciation and impairment	22,396	15,125
Rates and water	1,993	6,408
Light and heat	6,489	7,661
Advertising	8,961	19,764
Travelling expenses	7,158	20,669
Insurance	11,420	10,788
Printing, postage & stationery (stock adjusted)	1,958	13,106
Website development costs	144	360
Maintenance and repairs	32,119	52,461
Exhibition display and transport costs	8,205	8,943
Miscellaneous	2,342	4,685
Security costs and equipment rental	2,387	7,890
Talking Tangmere	-	3,308
Memorial garden	-	117
	<u>105,572</u>	<u>171,285</u>
Share of support costs (see note 8)	29,646	30,280
Share of governance costs (see note 8)	23,102	20,510
	<u>158,320</u>	<u>222,075</u>

7 Raising funds

	2020 £	2019 £
Investment management	9,783	11,565
	<u>9,783</u>	<u>11,565</u>

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Depreciation	16,800	-	16,800	13,602	-	13,602
Telephone	4,652	-	4,652	5,285	-	5,285
Bank charges & interest	1,047	-	1,047	2,438	-	2,438
Canteen & cleaning	5,601	-	5,601	6,110	-	6,110
Miscellaneous	1,546	-	1,546	2,845	-	2,845
Audit fees	-	7,840	7,840	-	7,500	7,500
Accountancy	-	3,200	3,200	-	3,100	3,100
Legal and professional	-	12,062	12,062	-	9,910	9,910
	<u>29,646</u>	<u>23,102</u>	<u>52,748</u>	<u>30,280</u>	<u>20,510</u>	<u>50,790</u>
Analysed between						
Charitable activities	<u>29,646</u>	<u>23,102</u>	<u>52,748</u>	<u>30,280</u>	<u>20,510</u>	<u>50,790</u>

Governance costs includes payments to the auditors of £7,400 (2019- £7,200) for audit fees.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	<u>-</u>	<u>-</u>

11 Net gains/(losses) on investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Revaluation of investments	193,429	291,076
Gain/(loss) on sale of investments	(205,048)	(14,701)
	<u>(11,619)</u>	<u>276,375</u>

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Heritage assets

	Total £
At 1 January 2020	105,300
Purchases	12,000
At 31 December 2020	117,300

The charity holds numerous additional heritage assets donated in this and previous years which are of a unique nature and in which there is no readily traded market from which to ascertain market values. The heritage assets have been excluded from the balance sheet due to the significant costs that would be involved in the valuation, which are onerous compared with the additional benefit that would be derived by users of the accounts in assessing the trustees' stewardship of the accounts.

Five year summary

	2020 £	2019 £	2018 £	2017 £	2016 £
Cost brought forward	105,300	105,300	30,300	30,300	30,300
Purchases	12,000	-	75,000	-	-
Cost carried forward	117,300	105,300	105,300	30,300	30,300

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Tangible fixed assets

	Improvement to freehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2020	780,777	88,721	13,888	883,386
Additions	-	26,402	-	26,402
Disposals	(9,334)	-	-	(9,334)
At 31 December 2020	771,443	115,123	13,888	900,454
Depreciation and impairment				
At 1 January 2020	160,624	47,938	11,570	220,132
Depreciation charged in the year	14,165	16,800	580	31,545
Eliminated in respect of disposals	(1,683)	-	-	(1,683)
At 31 December 2020	173,106	64,738	12,150	249,994
Carrying amount				
At 31 December 2020	598,337	50,385	1,738	650,460
At 31 December 2019	620,153	40,783	2,318	663,254

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

14 Fixed asset investments

	Listed investments £	Cash in portfolio	Other investments	Total £
Cost or valuation				
At 1 January 2020	3,319,791	172,449	100	3,492,340
Additions	3,909,413	3,820,279	-	7,729,692
Valuation changes	193,429	-	-	193,429
Disposals	(3,957,817)	(3,919,196)	-	(7,877,013)
At 31 December 2020	3,464,816	73,532	100	3,538,448
Carrying amount				
At 31 December 2020	3,464,816	73,532	100	3,538,448
At 31 December 2019	3,319,791	172,449	100	3,492,340

	Notes	2020 £	2019 £
Other investments comprise:			
Investments in subsidiaries	21	100	100

15 Stocks

	2020 £	2019 £
Finished goods and goods for resale	13,069	9,231

16 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	-	6,000
Prepayments and accrued income	64,749	9,975
	64,749	15,975

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

17 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,085	1,179
Accruals and deferred income	12,646	10,700
	<u>13,731</u>	<u>11,879</u>

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2019 £	Movement in funds Incoming resources ¹ £	Balance at January 2020 £	Movement in funds Incoming resources £	Balance at 31 December 2020 £
Future development fund	3,000,000	-	3,000,000	-	3,000,000
	<u>3,000,000</u>	<u>-</u>	<u>3,000,000</u>	<u>-</u>	<u>3,000,000</u>

Designated funds were approved to be set aside at a Trustees Meeting held on 10th February 2009 for the future development of a new or extended Museum.

19 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	650,460	-	650,460	663,254	-	663,254
Heritage assets	117,300	-	117,300	105,300	-	105,300
Investments	538,448	3,000,000	3,538,448	492,340	3,000,000	3,492,340
Current assets/ (liabilities)	173,804	-	173,804	183,938	-	183,938
	<u>1,480,012</u>	<u>3,000,000</u>	<u>4,480,012</u>	<u>1,444,832</u>	<u>3,000,000</u>	<u>4,444,832</u>

20 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

21 Subsidiaries

These financial statements are separate charity financial statements for Tangmere Military Aviation Museum Trust Limited.

Details of the charity's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Tangmere Museum Trading UK Company Ltd		Museum gift shop	Ordinary	100.00	

During the 2019 year the charity provided a loan to the subsidiary of £12,000. At the year end an amount of £nil (2019 - £6,000), included within other debtors, remained outstanding. Interest was charged on the loan at 3% per annum.

At the year end an amount of £1,646 (2019 - £nil) was due to the subsidiary in respect of book purchases and £7,309 (2019 - £nil) was receivable in respect of covenant donations receivable.

22 Covid-19

The charity has been materially and adversely affected by the Covid-19 pandemic.

Government national lockdown restrictions enforced the closure of the museum for the majority of 2020 and closure has continued throughout the post year end period, with the museum hoping to reopen with reduced capacity on 17 May 2021.

Enforced closure of the museum facilities has meant that operating results have been adversely affected, and this has continued post year end.

The charity has applied for and received additional financial support in terms of local government grants available to the hospitality and leisure industry. Since the year end a further £12,000 "Restart Grant" has been awarded.

An insurance claim for business interruption has been made, but has not yet been approved by the insurance provider. As the claim cannot be quantified and receipt is not assured, no provision for the claim has been made in the financial statements.

Due to the rapid and ongoing nature of Covid-19, the directors are uncertain when the charity will return to sustainable positive cashflows from operations. However, with the easing of lockdown allowing the phased reopening of the charity's facilities from 17 May 2021, the directors foresee a significant, albeit progressive, improvement from that date.

The ability of the charity to continue finance its charitable objectives in the future may, in the meantime, need to be financed by realising investments.

TANGMERE MILITARY AVIATION MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

23 Cash generated from operations	2020 £	2019 £
Surplus for the year	35,180	406,512
Adjustments for:		
Investment income recognised in statement of financial activities	(67,917)	(88,474)
Loss on disposal of tangible fixed assets	7,651	-
Loss on disposal of investments	205,048	14,701
Fair value gains and losses on investments	(193,429)	(291,076)
Depreciation and impairment of tangible fixed assets	31,545	28,727
Movements in working capital:		
(Increase)/decrease in stocks	(3,838)	3,408
(Increase) in debtors	(48,774)	(7,147)
Increase in creditors	1,852	407
Cash (absorbed by)/generated from operations	(32,682)	67,058