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Charity Registration No. 508326

Company Registration No. 01357553 (England and Wales)

MIDLAND AIR MUSEUM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

MIDLAND AIR MUSEUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr K Dixon Mr M T Painter Mr G L Talbot Mr I P Welford Mr B W James Mr A R Evans Mr D Woodrow
Charity number	508326
Company number	01357553
Registered office	Coventry Airport Rowley Road Coventry United Kingdom CV8 3AZ
Independent examiner	Azets Audit Services 3Mc Middlemarch Business Park Siskin Drive Coventry United Kingdom CV3 4FJ
Bankers	HSBC P.O. Box 24 City Branch Coventry United Kingdom CV1 1QJ
Solicitors	Mander Hadley Limited Solicitors 1 The Quadrant Coventry West Midlands United Kingdom CV1 2DW
Curatorial Advisor	C van Schaardenburgh Head of Collections The Tank Museum Bovington Dorset BH20 6JG United Kingdom

MIDLAND AIR MUSEUM

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MIDLAND AIR MUSEUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the 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) (effective 1 January 2019)".

Objectives and activities

The objects of the charity are to advance the education of the public in the preservation of aircraft and aeronautical equipment of historical, technical, archive or other public interest relating to Coventry, in particular, and to the Midlands and aviation generally. The museum incorporates the Sir Frank Whittle Jet Heritage Centre with the object of presenting the life and work of Coventry born Sir Frank Whittle and his influence on the world through the development of the jet engine.

The Midland Air Museum's mission is to continue to be recognised as one of the leading independent collections, renowned for its friendly atmosphere and exceptional standards of customer service. Feedback from our customers is continuously reviewed.

Opportunities are provided for visitor participation and interaction with exhibits. The museum has an outstanding record of successful innovation in the use of an aviation museum as an educational resource for schools and for places of further and higher education.

The Museum's objective is to be known for the range and quality of aircraft, engines and its regional collection and additionally for a continuous improvement in its standards of restoration and conservation and also for the scale and scope of its partnerships with the community at large.

The key aims of the Charity are to acquire aircraft, aircraft components and associated items to further the purpose of the museum and to record aviation history relating to the declared statement of purpose.

Additionally to promote the museum and its purpose by outside exhibitions, lectures, media articles, publications, and public interaction and to take such steps that may be thought necessary for the raising of additional funds to promote the Museum's purpose such as donations, grants and annual subscriptions.

The Museum has a strategy to develop the skills of the current membership and staff with emphasis on the care of the collection, the quality of service to visitors and the excellence of displays. Additionally there is a strategy of generating greater funding opportunities and our National Accreditation status is very important in this respect.

The Museum's long term strategy is to consolidate our customer base while looking for a wider participation and greater diversity. Major future developments will require funding opportunities to be explored and the continuation of accreditation status will assist in this objective.

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

MIDLAND AIR MUSEUM

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

FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

The plans and performance for the year 2021 were again severely affected by the coronavirus pandemic and the government restrictions which resulted in complete closure of the museum to visitors from the beginning of the year to the last week in May. Apart from essential security and administration tasks carried out by a small team, general voluntary activities could not be carried out during the closure and the staff were furloughed. After re-opening, activities were resumed in accordance with the gradual easing of restrictions, but with an emphasis on ensuring that the Museum was maintained as a Covid secure site.

The Museum took the decision to cancel the main mid year model show with the first event of the year being the Aviation Fair in late October.

Security and maintenance of the site and the collection was one of our prime considerations and, with the co-operation of all the staff and volunteers, it was possible to maintain and secure the Museum in the best possible position despite the circumstances.

A summary of the main achievements of the Charity during the year :

- With the exception of the government defined closure period the Museum maintained 7 day a week opening to the public but with due compliance to the guidance requirements to ensure Covid security.
- The guide book update and re-issue was completed including additional photographs and descriptions of the collection.
- Although the summer model show was cancelled the October Aviation Fair and the Christmas Show both proved to be successful.
- Following the commissioning of the second new workshop the original workshop building was converted to a storage facility and fitted out after the purchase of heavy duty racking.
- Restoration of the Fletner Kolibri and the Kaman Huskie aircraft continued when circumstances allowed with good progress and both are due for completion in 2022.
- Work proceeded to prepare the Gloster Javelin for repainting and a base coat of paint was applied before the year end.
- Work proceeded with the repaint of the Iskra aircraft.

The Trustees are very much aware of the support given by staff and volunteers which demonstrates again the strength of the Museum in dealing with a very difficult period and they would like to record their thanks and appreciation for all their efforts during this year.

The Trustees would particularly wish to acknowledge the role of the Museum manager, Mrs Dianne James, during the year in ensuring that the Museum could operate in a Covid secure way enabling controlled volunteer activities and managing the visitor services within the restrictions of the Government guidelines.

The Trustees would also like to thank those individuals and organisations who have loaned exhibits and supported the Museum during the year.

Financial review

The Museum maintained a strong financial position through 2021, building upon the 2020 position, despite the effect of the pandemic. During the closure periods 4 of the 5 staff were furloughed under the government scheme and further grant funding was claimed through the County Council business programme.

Total incoming resources for the year were £181,763 and net incoming resources were £34,348.

Costs were tightly controlled due to the circumstances with total cash funds at the end of the year of £504,482.

Total Funds Balance for 2021 is £720,852 (2020 £686,504)

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

MIDLAND AIR MUSEUM

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management

The Charity is constituted in accordance with its Memorandum and Articles. It is a membership organisation governed by a Board of Trustees, the members of which are elected from within the membership at the AGM. The Board of Trustees also acts as the management committee of the Charity with a structure that enables delegation of responsibilities, with an appropriate reporting mechanism to the Board.

The Board of Trustees meet at least six times annually in a formal manner, and a specific training and mentoring programme is established for new trustees.

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:

Mr R T Sadler	(Retired 28 September 2021)
Mr K Dixon	
Mr M T Painter	
Mr G L Talbot	
Mr I P Welford	
Mr B W James	
Mr A R Evans	
Mr D Woodrow	

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Heritage assets

The whole collection of heritage assets are not capitalised because of the significant costs that would be involved in the valuation which are onerous compared with the additional benefit that would be gained by users of the accounts. However, major acquisitions of heritage assets have been capitalised since 1st January 2005 and depreciated in accordance with the stated rate.

MIDLAND AIR MUSEUM

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for future periods

Future plans are defined and monitored by means of the Five Year Plan which is approved by the Board and reviewed in conjunction with the Professional Curatorial Adviser and updated annually.

A summary of the main items from the plan for the current planning cycle is :

- The collection is to be developed in accordance with the Charity's Acquisition and Disposal Policy.
- The Museum will continue with the acquisition and fitment of Tornado aircraft parts to enhance the public display of the aircraft.
- To continue with the programme of improving the cabinet displays within the display hall.
- A specific display is planned to mark the 40th Anniversary of the Falkland Islands conflict.
- To consolidate the skills training of paid staff and volunteer members.
- To complete the restoration of the Fletner Kolibri and Kaman Huskie helicopters.
- To continue with the ongoing programme of aircraft collection preservation for which the immediate schedule includes the Vickers Viscount, the Iskra, the Vulcan and the Argosy for which a new paint scheme is planned.
- To continue with the ongoing programme of engine collection preservation, specifically the Goblin and Elan engines, and to prepare an Orenda engine for display.
- Continue with the collection cataloguing in accordance with the accreditation plan and incorporating the extensive Leopard aircraft archive.
- Continue the planning of further improvements to the general Museum infrastructure.
- The Museum will continue to hold a major model show in association with Coventry and Warwickshire International Plastic Model Society.
- Following the success of the Aviation Fairs in recent years the Museum Plans to hold another Aviation Fair during 2022.
- The Museum continues its educational associations with both Coventry and Warwick Universities and also long standing associations with many local and regional schools.
- It is planned to resume a programme of visits by schools to the Museum and of outreach talks.
- Following completion of the new buildings for workshop and restoration activities, planning will be started for development of the main entrance, shop and additional inside visitor and display areas.

Coronavirus

The Trustees are confident that the Museum will move forward strongly from the difficulties of the past two years and greatly appreciate the efforts of staff and volunteers and the support of our visitors over this period. The Trustees recognise that the well-being of staff and volunteers is paramount so that our customers can continue to enjoy their visits.

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

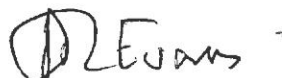
Disclosure of information to auditor

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



Mr B W James
Chairman

Dated: 25 August 2022



Mr A R Evans
Treasurer

Dated: 25 August 2022

MIDLAND AIR MUSEUM

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MIDLAND AIR MUSEUM

I report to the Trustees on my examination of the financial statements of Midland Air Museum (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

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

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

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



Robert Anderson FCA
Azets

3mc Middlemarch Business Park
Siskin Drive
Coventry
CV3 4FJ
United Kingdom

Dated: 1 September 2022

MIDLAND AIR MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Donations and legacies	3	58,488	17,706
Charitable activities	4	72,252	41,444
Other trading activities	5	50,288	33,982
Investments	6	735	1,299
Total income		181,763	94,431
<u>Expenditure on:</u>			
Raising funds	7	495	110
Charitable activities	8	146,920	141,339
Total resources expended		147,415	141,449
Net income/(expenditure) for the year/ Net movement in funds		34,348	(47,018)
Fund balances at 1 January 2021		686,504	733,522
Fund balances at 31 December 2021		720,852	686,504

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.

MIDLAND AIR MUSEUM

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		190,791		203,199
Current assets					
Stocks	13	23,770		20,860	
Debtors	14	6,138		7,382	
Cash at bank and in hand		504,482		459,233	
		534,390		487,475	
Creditors: amounts falling due within one year	15	(4,329)		(4,170)	
Net current assets			530,061		483,305
Total assets less current liabilities			720,852		686,504
Income funds					
<u>Unrestricted funds</u>					
Designated funds	17	580,791		538,199	
General unrestricted funds		140,061		148,305	
			720,852		686,504
			720,852		686,504

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

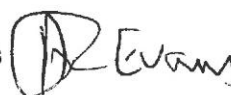
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The accounts were approved by the Trustees on 25 August 2022

Mr B W James
Chairman



Mr A R Evans
Treasurer



Company Registration No. 01357553

MIDLAND AIR MUSEUM

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

1 Accounting policies

Charity information

Midland Air Museum is a private company limited by guarantee incorporated in England and Wales. The registered office is Coventry Airport, Rowley Road, Coventry, CV8 3AZ, United Kingdom.

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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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 historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

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 available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

MIDLAND AIR MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	2% - 5% on original cost
Fixtures and fittings	10% - 33% on original cost
Site assets	10% on original cost

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 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).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

MIDLAND AIR MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

MIDLAND AIR MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds	Total
	2021	2020
	£	£
Donations and gifts	6,522	724
Business Rates Relief and Job Support Grants	51,966	16,982
	<u>58,488</u>	<u>17,706</u>

Local Council Reliefs received amounted to £37,425 (2020 £6,000) and Job Support Grants received were £14,541 (2020 £10,982) in the year.

4 Charitable activities

	Admission fees	Hire of facilities	Subscriptions	Total 2021	Total 2020
	2021	2021	2021		
	£	£	£	£	£
Sales within charitable activities	<u>67,597</u>	<u>275</u>	<u>4,380</u>	<u>72,252</u>	<u>41,444</u>

5 Other trading activities

	Unrestricted funds	Total
	2021	2020
	£	£
Shop and cafe sales	<u>50,288</u>	<u>33,982</u>

6 Investments

	Unrestricted funds	Total
	2021	2020
	£	£
Interest receivable	<u>735</u>	<u>1,299</u>

MIDLAND AIR MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

7 Raising funds

	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Advertising	495	110
	<u>495</u>	<u>110</u>

8 Charitable activities

	2021	2020
	£	£
Staff costs	67,147	66,568
Depreciation and impairment	16,408	14,200
Cost of sales	31,712	23,002
	<u>115,267</u>	<u>103,770</u>
Share of support costs (see note 9)	28,133	34,310
Share of governance costs (see note 9)	3,520	3,259
	<u>146,920</u>	<u>141,339</u>

MIDLAND AIR MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	
Rent and rates	4,257	-	4,257	5,161	
Insurance	7,618	-	7,618	6,960	
Light and heat	4,338	-	4,338	6,413	
Site expenses	3,388	-	3,388	5,378	
Office expenses	746	-	746	699	
Telephone	1,240	-	1,240	1,217	
Transport and travelling expenses	340	-	340	436	
Restoration	1,251	-	1,251	616	
Sundry expenses	2,106	-	2,106	4,989	
Bank charges	2,849	-	2,849	2,441	
Legal and professional	-	3,520	3,520	3,259	Governance
	<u>28,133</u>	<u>3,520</u>	<u>31,653</u>	<u>37,569</u>	
Analysed between					
Charitable activities	<u>28,133</u>	<u>3,520</u>	<u>31,653</u>	<u>37,569</u>	

Governance costs includes payments to the Independent Examiners of £2,820 (2020 - £2,599) for Independent Examination and other services.

10 Trustees

None of the Trustees received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>5</u>	<u>5</u>
Employment costs	2021 £	2020 £
Wages and salaries	65,191	64,663
Other pension costs	1,956	1,905
	<u>67,147</u>	<u>66,568</u>

No single employee received total employee benefits of over £60,000

MIDLAND AIR MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Tangible fixed assets

	Leasehold land and buildings	Fixtures and fittings	Site assets	Total
	£	£	£	£
Cost				
At 1 January 2021	270,412	106,455	13,377	390,244
Additions	-	4,000	-	4,000
At 31 December 2021	270,412	110,455	13,377	394,244
Depreciation and impairment				
At 1 January 2021	89,937	83,734	13,374	187,045
Depreciation charged in the year	8,828	7,580	-	16,408
At 31 December 2021	98,765	91,314	13,374	203,453
Carrying amount				
At 31 December 2021	171,647	19,141	3	190,791
At 31 December 2020	180,475	22,721	3	203,199

13 Stocks

	2021 £	2020 £
Raw materials and consumables	23,770	20,860

14 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	6,138	6,832
Prepayments and accrued income	-	550
	6,138	7,382

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	(185)	1,349
Other creditors	445	227
Accruals and deferred income	4,069	2,594
	4,329	4,170

MIDLAND AIR MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £1,956 (2020 - £1,905).

MIDLAND AIR MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

17 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 2020	Movement in funds			Transfers	Balance at 1 January 2021	Movement in funds			Transfers	Balance at 31 December 2021
		£	Incoming resources	Resources expended			£	Incoming resources	Resources expended		
Fixed assets fund	198,798	£	18,601	(14,200)	-	203,199	£	4,000	(16,408)	-	190,791
Building development fund	225,000		-	-	-	225,000		-	-	30,000	255,000
Acquisition fund	55,000		-	-	-	55,000		-	-	-	55,000
Reserve fund	80,000		-	-	(25,000)	55,000		-	-	25,000	80,000
	558,798		18,601	(14,200)	(25,000)	538,199		4,000	(16,408)	55,000	580,791

The trustees have designated various funds this year as follows:

- The Building Development fund is to provide funds to enable more exhibits to be displayed under cover to improve the visitor experience and to protect exhibits for the future.
- The Acquisition fund is to provide funds to enable suitable exhibits to be acquired when they become available to continue to develop and improve the museum's collection.
- The Reserve fund is considered sufficient to cover the operating costs of the museum for a period of six months.

MIDLAND AIR MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Financial commitments, guarantees and contingent liabilities

In 2001 the Museum acquired a MIG21 aircraft with the assistance of Prism funding. The amount received was £2,000 which would become repayable should the Museum sell the aircraft.

19 Related party transactions

During the year, the wife and daughters of Mr B. James were employed by the museum at open market rates. Mr B. James was excluded from all discussions and decisions related to their employment.