

Brooklands Museum Trust Limited
(A company limited by guarantee)

Report and Financial Statements

Year ended 31 December 2020

Charity number: 296661

Company number: 2109945



Brooklands Museum Trust Ltd

Report and financial statements 31 December 2020

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Chairman's Statement

No business school or management training course could have prepared us for the covid challenges starting in the Spring of 2020. Whilst we have not been alone in facing these, museums and the hospitality sector have been some of the worst hit. The toll on our staff and our volunteers has been immense. Implementing many of the social distancing and related rules and providing safe environments for visitors, volunteers and staff has required vigilance, flexibility, pragmatism and out of the box thinking. But in true Brooklands spirit we got there. We now look forward to a summer of relaxed restrictions when hopefully visitors will return in their thousands; indeed, it appears they will.

Critical to the viability of the Museum is the ability to hold large events and to attract hospitality revenue such as weddings. Whilst, at the time of writing, the future is still uncertain we recognise that full normality may not occur until 2022/23; and our forecasts are built up on this assumption.

As you will read in the CEO's report, we have certainly not stood still in the last year. Our restructuring, whilst very painful, should allow us to operate on a smaller headcount yet still provide the high-quality offering for which we are known. But our new teams have still to experience the museum at maximum capacity and the benefits will flow through more in future years.

I mentioned in last year's report our successful celebration of Alcock and Brown's Atlantic crossing of 100 years earlier. Our huge replica Vickers Vimy with our Concorde Delta Golf show aeronautical development in 50 years from 100mph to nearly 1400mph!

On the 4th September 2020 we commemorated those 88 employees who lost their lives in the terrible bombing of the Vickers Works 80 years earlier. The call of the names of those who died, at precisely the time the bombs fell, was most poignant. The opening of a special exhibition in our air raid shelters records the terrible event.

Whilst Brooklands is known as a museum where the historical results of human endeavour can be seen in a working environment, we need to show that that endeavour is still present today with modern technologies. So, we were delighted to welcome the Mercedes-Benz EQ Formula E car last November taking its place in our Grand Prix line-up. We also look forward to opening the McLaren exhibition shortly which will be the first of its kind outside their own Technology Centre.

Brooklands successful future will lie in creating enduring partnerships which play to our strengths and help us explain our stories better. Our partnership with the Heritage Skills Academy will enable apprentices from all walks of life to experience working at Brooklands on a three-year course in our unique environment and visitors will be inspired seeing the students learning their engineering skills. The partnership with Middlechild who were commissioned by the UKTV Yesterday channel to create a ten-part series on "Secrets of the Transport Museum" has been an outstanding success in marketing the museum to new audiences. Around 500,000 people viewed each episode, and we were thrilled to learn that UKTV was commissioning a second series.

Our results for the year show the dramatic impact of Covid decimating our top line and this will be repeated in 2021 but hopefully to a lesser extent. The various Government schemes of furlough, emergency support and cultural recovery funding, so ably accessed by our CEO, have reduced the impact on the bottom line and together with the CIBLS loan have ensured the long-term future for the Museum. We are immensely grateful for these schemes of grants and loans because without them we would have faced closure.

The one source of income that has been critical to us is that from Brooklands Members renewing their annual subscriptions. We are deeply indebted to them and also to those bond holders who forgave or deferred receipt of their interest and volunteers and Members who gave to the #LoveBrooklands appeal; thank you for playing your part in saving our museum.

During 2020 we completed the work on our vision, purpose and branding and this paved the way for a major master planning exercise led by architects, Purcell. This exciting study looked at our site holistically with the background of our vision and purpose and drew up a blueprint of all the development alternatives open to us into the medium and long term. As a first stage we shall be looking at three major projects:

- Refurbishment of the motoring village where the methods of display and interpretation have fallen way behind those of our new Aircraft Factory and Flight Shed.
- Restoring the Grade II* listed Clubhouse to its former glory reflecting the impact of Brooklands in the Edwardian era. This will require us to re site our café and, in turn, will lead us to moving the museum entrance so that visitors enter by the Vickers Bridge into the heart of the Museum.

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- Establishing a cover for Concorde and our other aircraft of major historical significance. This will not only protect them from severe weather deterioration, but it will enable us to tell the important stories so much better than at present.

These projects will require fundraising of a far greater amount than the Museum has achieved in the past, and we shall be gearing up for this.

I should like to thank all our partners for their support during this particular year. Surrey County Council and Elmbridge Borough Council and our local councillors have always been there when we have needed them. Our relationship with the London Bus Museum, who share our site, has gone from strength to strength and I should like to thank Sir Peter Hendy, Leon Daniels, their Chair, and their trustees for their support. Mercedes Benz through their Marketing Director, Rob Halloway have been excellent partners and neighbours. Apart from loaning the Formula E car, their work on the airstrip has enabled us to recommence fly ins which are so important to the Spirit of Brooklands.

I've mentioned the support from Brooklands Members who are part of the lifeblood of our Museum, and I should like to thank their Chair, Neil Bailey, and all his committee for helping keep the Spirit of Brooklands alive during our difficult times of closure and restricted openings. The social media side and the talks programme have been particularly successful in these challenging times. The new format of the regular Brooklands Bulletin has now been running for a full year to much acclaim; well done to our editorial team and all our contributors.

Brooklands Museum would not be the special place it is without our 800+ volunteers. One could not meet a more dedicated and committed group and I know that each and everyone of them is looking forward to the lifting of Covid restrictions so that they can show off our Museum to its best.

The pressures brought about by the pandemic and the Government restrictions have placed a gigantic load on Tamalie Newbery, our Director and CEO, personally and on her senior management team and staff; I should like to express my immense gratitude to them all. Finally, my trustees have been a tremendous support and source of wise counsel as we have travelled in uncharted waters in the past year. The workload on many, and particularly our Vice Chairman, Captain Mike Bannister and our Treasurer, Neil Austin has been extensive; thank you both also for your support. After the year end, we welcomed Mark Seligman as a trustee and Mark Wood and I look forward to their support on the fundraising side of the Museum.

With the help of many, we have already demonstrated great resilience. Whilst the future will remain uncertain for a while yet, we shall continue to pursue our agenda to ensure that this unique Museum remains fit, sustainable and successful in an ever-changing future

Sir Gerald Acher CBE LVO
Chairman, Brooklands Museum Trust Ltd

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Chief Executive's Report

During 2019 and early 2020 the Trustees and Executive Team developed the vision and strategy for Brooklands Museum for the next ten years, through a series of workshops and discussions involving Trustees, staff, volunteers and representatives of the Members. We clarified the purpose and aims for the Museum and identified the key elements of the strategy required for a sustainable and successful future.

Although the outbreak of the Covid pandemic in March 2020 meant that the rest of the year unfolded in ways that could not have predicted, the work that had been done on the long-term strategy and vision stood the Museum in good stead. Despite the unprecedented challenges of Covid good progress was made in a number of areas, described immediately below.

The impact of Covid and the Museum's response to it is described in the section following this, 'Other Achievements and Performance'.

Vision and Purpose

The vision of Brooklands Museum is:

To inspire people to shape the future through Brooklands' history of innovation and endeavour.

Brooklands was the cradle of British innovation and endeavour in the worlds of motorsport and aviation. Today Brooklands Museum celebrates the passion, bravery and inventiveness of the men and women who designed, built, raced and flew machines like those in our Collection, on this historic site, throughout the twentieth century. Visitors are immersed in Brooklands' stories and discover for themselves the qualities, skills and ideas of the innovators, pioneers, engineers and adventurers of Brooklands – people whose work changed their world and who can inspire us today to shape the future of our world.

The Museum has three core purposes:

- We celebrate Brooklands, its people and their achievements.
- We are a place and a community where inventiveness, expertise and competitiveness live on.
- We use our Collection and heritage to encourage innovation and endeavour, today and in the future.

The Museum is relevant and appealing to a wide range of audiences:

- Heritage lovers respond to the exceptional experience, which brings to life the legends of Brooklands, their quest for speed and flight and their impact on the world, on the site where it all happened.
- Intergenerational families value the opportunity to discover the history of Brooklands and its relevance to them, through interactive, immersive experiences and inspiring stories.
- Enthusiasts and researchers are drawn by the in-depth interpretation, events and sense of community, in the place where world motorsport and British aviation started.
- Learners, partners and businesses recognise Brooklands as a place that fosters innovation and endeavour, promotes science, technology, engineering and maths (STEM), and inspires the innovators of the future.

During 2020 we launched the revised vision with a new film that explains it and how it is relevant now and in the future. We also developed five interpretation themes, flowing from this vision:

- **People:** the great endeavours of Brooklands people, who were visionaries and trailblazers
- **Society:** Brooklands as a microcosm of how society changed in the 20th century
- **Innovation:** Brooklands as a place where competition and innovation flourished
- **Influence:** Brooklands at the forefront of world developments and events
- **Future:** inspiring people to shape the future using Brooklands' legacy.

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In March 2021 we consulted on this vision and the five interpretation themes via an online process involving more than 200 staff, volunteers and trustees. The new vision and the story-telling themes were almost universally supported. Consultees recognised that they were rooted in Brooklands' unique history but focused on how that was relevant to current and future generations.

Strategic Plan

In 2019 we devised a strategic plan, based on the principle that in order to fulfil our vision and core purposes, and to secure a sustainable future for the Museum, we need to strengthen the Museum as a charitable business as it has to earn or raise all its income.

Our strategy to do this is focused in five areas, underpinned by a stronger organisational and financial business model. Key areas of strategic development 2020-2030:

- A) Develop and deliver a master-plan for the 32 acre museum site, showing how it will be developed to enhance the experience for visitors, foster innovation and endeavour through the Museum's activities and conserve and preserve the heritage of the buildings, Race Track and collections.
- B) Develop and implement a site-wide interpretation strategy which celebrates Brooklands' history, brings out the interest of this history to wider audiences and looks forwards as well as backwards.
- C) Develop and implement a fundraising strategy to secure the substantial funds which will be required to deliver the Masterplan.
- D) Develop and implement a brand and marketing strategy to ensure Brooklands is understood by and appeals to its target visitors and other stakeholders.
- E) Develop and enhance the Museum's organisational and financial model to enable it to deliver the overall strategy.

During the 2020 and the first part of 2021 considerable progress was made on several of the strands of this strategy:

Masterplan:

A competition was held to select a master planning company and Purcell was appointed in March 2020. Arts Council England provided a project grant to contribute towards the cost of this work as did two private donors. The work was put on hold because of the outbreak of Covid but it was able to commence in November 2020, with the first stage completed by the end of the year. From January to March 2021 the second stage was undertaken, followed by a consultation on the ideas that had emerged. At the time of writing the third stage of developing the masterplan is underway, including further investigations and surveys, looking at how the proposals can be phased and funded and further consultation. The final plan will be published later in 2021.

This has been a very positive and exciting process for Brooklands Museum. A wide range of stakeholders have contributed their views and the proposals that have emerged have received widespread support and will be able to accomplish the key aims identified at the beginning of the process, which were to identify how to develop the site in a way that would:

- Make Brooklands Museum sustainable by enhancing the visitor experience and increasing visitor numbers and revenue.
- Tell the Brooklands story more clearly and with more impact, in line with the Museum's vision and interpretation strategy.
- Retain and enhance the historic character of the site.
- Enable the proper care and maintenance of the Collection, Scheduled Monument and historic buildings.

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Interpretation:

The site-wide interpretation strategy was developed during the year, with key themes identified as described above, and tested with stakeholders. During the year these themes were used to create a new exhibition, *Brooklands' Darkest Hour*, installed in one of the site's Second World War air raid shelters, creating an immersive experience using first-hand accounts of the devastating bombing raid on Brooklands in September 1940. In addition, there was new interpretation for buildings around site, for the Finishing Straight and Race Track and for the new exhibition in the aircraft park area.

Fundraising:

Mark Seligman, formerly of Kingfisher Plc, was appointed to the fundraising committee, led by Mark Wood. A Fundraising and Development Officer was appointed. A new Fundraising Strategy was written up in preparation for the masterplan, and potential donors were identified for cultivation. Our Legacy Giving campaign was highlighted for development and relaunch in 2021. Emergency funding was secured as a response to Covid-19 and for capital repairs to the Clubhouse.

Brand and Marketing:

In 2019 the Museum launched a new brand, which brings together different elements of the Museum's activity and has a stronger visual presence, and a clearer relevance to new visitors and audiences. During 2020 this was developed and embedded. It was also complimented by a full marketing audit and review undertaken in the first part of 2020 and in 2021 a benchmarking exercise to compare Brooklands Museum's marketing strategy with other organisations, in light of the impact of Covid. Alongside this a new ten-part TV series, *Secrets of the Transport Museum*, filmed entirely at Brooklands Museum, was launched in March 2021 on Yesterday channel. This created considerable opportunities to raise the Museum's profile, and extended visibility and reach.

Organisational Development:

Over the winter of 2019 to 2020 Brooklands Museum launched the Ignition programme, funded by the National Lottery Heritage Fund. During that winter the extended leadership team undertook a programme of leadership and management development. Alongside this, the whole staff team as well as representatives from the volunteers, were involved in workshops during which the organisational culture required to achieve the Museum's ambitions was developed and this, was translated into a commitment that the whole museum team make to all customers and visitors: Brooklands at its best, every day.

Whilst the final stage of that winter's programme had to be postponed because of the Covid outbreak, the work undertaken proved to have been invaluable during the rest of the year, as staff and volunteers had to work flexibly and collaboratively to adapt to the changes required during the pandemic.

The pandemic led to the need to restructure the staff team to reflect the new financial realities. Whilst this is always a difficult process, the opportunity was taken to think afresh about the Museum's current and future priorities and requirements and how they would best be delivered. As a result, the Visitor Experience and operational team were strengthened, creating new roles with a strong visitor and volunteer focus, which brought together previously disparate activities. This has in turn improved operational effectiveness and the experience for both visitors and volunteers. At the same time the learning and curatorial teams were brought together to create a new department of Engagement and Heritage, strengthening our care of collections and their use to engage the public and learners.

In the final quarter of 2020 we were able to build on the Ignition programme thanks to funding from DCMS via Arts Council and the Cultural Recovery Fund, which enabled us to commission a consultant to help us develop a strategy to develop audiences and diversify the Museum. This included a focus on the diversity of staff, volunteers and trustees and involving staff and trustees in planning how the Museum can become more diverse in the future. This in turn will help ensure we continue to increase our relevance, in turn helping attract more visitors.

Other Achievements and Performance

Despite the very substantial impact of Covid, 2020 was a year of considerable achievements and new partnerships that will strengthen it for the future.

The year started with some good news, when a statue of Alcock & Brown, the first people to fly across the Atlantic non-stop, accomplished in a Brooklands-built Vickers Vimy, was placed on long-term loan with the Museum by Heathrow. The statue was unveiled by HRH Prince Michael of Kent.

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Shortly after the Museum suffered substantial outdoor flooding during February half term. Staff and volunteers worked through the evening and night to ensure the Collection was moved to safe locations, although in the end the river flooding covered the car park and other outdoor areas, but did not extend into buildings. The Museum was able to stay open apart from one half day when river levels were still rising, with visitors being re-directed to park on the Finishing Straight because the normal car park was out of action.

During the time that the Museum was closed for the first Covid lockdown, and alongside the work to ensure the Museum's long-term future was secured, staff who were not on furlough worked hard to prepare the Museum for reopening, including implementing plans that had already been conceived to improve the visitor experience with new way-finding signage and interpretation for the Finishing Straight, Aircraft Park and buildings on the site. This responded to issues previously raised in visitor research. The railings between the Clubhouse and Campbell/ERA sheds were removed and a gate introduced to separate this area from the Campbell car park, creating better visitor flow and an attractive new area in which vehicles can be displayed outdoors.

New partnerships were also formed during this time, including with Middlechild TV who began filming the ten part TV series, Secrets of the Transport Museum in July as the Museum came out of lockdown. The series aired in March-May 2021, to great acclaim and extremely high viewing numbers and a second series has been commissioned. It enabled the Museum to share the Brooklands' story with a much larger audience of around 500,000 people per week, at a time when visiting in person was not possible due to lockdown.

Another new partnership was with the Heritage Skills Academy who are renting the Museum's purpose-built workshop in the Flight Shed to deliver apprenticeship training in heritage vehicle maintenance and restoration. This important partnership, which also includes the Federation Skills Trust, enables us to ensure skills needed for the future conservation of heritage vehicles such as those in our Collection are being passed on. It also gives us the opportunity to work together in the future of education and learning programmes.

During the summer of 2020 the Museum was invited to join a group working on the regeneration of Weybridge town centre, which in the future will allow Brooklands' stories to be part of new health and wellbeing facilities in the town. In the meantime, a partnership arose from this work with Well North Enterprises and Bourne Education Trust, which will lead us to work together to create the first Surrey Science School in July 2022, following the successful model developed by Lord Andrew Mawson and Prof Brian Cox at St Pauls Way Trust School, East London. Relationships were also renewed with other partners such as Indeed care homes and Brooklands College.

Surrey and Elmbridge Councils have been creating a new cycle path from the train station to Brooklands and the Museum was pleased to support this by developing interpretive and wayfinding signage for the route. As part of the development the Museum's entrance area was improved with new fencing and an attractive new surface and disabled ramp providing better access for visitors. This opens up the opportunity to actively promote visiting the Museum by train, which is a more environmentally friendly alternative to driving.

On 4th September 2020 the Museum commemorated the 80th anniversary of a bombing raid on the Vickers factory at Brooklands, in which 88 people were killed and over 400 injured. The commemoration was accompanied by the opening of a new exhibition telling the story of the incident and a subsequent bombing raid on the Hawker factory at Brooklands. The service was held outside in accordance with Covid-secure requirements. It was led by the Bishop of Guildford and attended by a number of family members of those who were killed as well as some survivors of the day. The Museum is grateful to BAE Systems, the successor company of Vickers, who made this possible with a grant of £8,000.

Impact of Covid Pandemic

In March 2020 the Museum was hit by government coronavirus restrictions and required to close. It did not reopen until August, for four days a week, with a limited capacity of 500. There was an additional period of closure in November and then another continuous period of closure from mid December 2020 to mid April 2021, when the Museum reopened two days per week with an outdoors only offer. It reopened indoors and out, five days per week, with Covid secure measure still in place, on 21 May 2021. Because of the closures, 2020 visitor numbers were 49,014, down 73% on 2019 level of 183,636. Visitor income for the year was £568,672.

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The closure meant that at a stroke the Museum lost most of its income sources – admission tickets, catering and hospitality, Concorde Experience, events, and group bookings. One of the few areas where income was sustained was the Membership, many of whom continued to renew during the periods of closure. Along with the Museum's volunteers, Members also contributed around £25,000 to our #LoveBrooklands appeal. As the Museum got ready to reopen, the volunteers returned in large numbers, giving thousands of hours of help to get the site ready for reopening. The support of volunteers and Members through this extremely challenging time meant so much, as did the unstinting work of the staff team, most of whom had a considerable period of reduced pay, often whilst working much longer hours than normal.

Nevertheless, given the small level of cash reserves held at the time of the first closure, the situation was serious and the trustees and executive team moved quickly to reduced all outgoings in order to stabilise the situation. Most of the staff were placed on furlough using the government's Coronavirus Job Retention Scheme. The trustees decided it was necessary to apply for loan to ensure the Museum remained solvent and a CBILS loan of £1.25m was secured from NatWest bank in July.

In order to secure this loan and to be able to make the repayments which will be required, the Museum reduced budgets in a number of areas and restructured its staff, reducing by eleven posts (approximately a quarter of the full-time equivalent roles). Sadly this meant that valued staff members, some with decades of service, left the Museum. The Museum is extremely grateful to them for all they did whilst at the Museum and for their professionalism during the very difficult times of 2020.

Subsequently the Museum made successful applications to the National Lottery Heritage Fund and Historic England for emergency support and then to Round 1 and Round 2 of the DCMS Cultural Recovery Fund. In total these grants amounted to c.£1.75m across 2020 and 2021.

The expenditure reductions, coupled with these grants, helped offset a considerable portion of the losses that would have been incurred in 2020, limiting the overall loss for the year to £38,429. Further grants in 2021 have provided further help, but with the Museum being closed for the first five and a half months of the year, a further loss in 2021 is inevitable. However with the bank loan still in hand the Museum's cash position is strong and its long-term future is secure.

During the period of closure it was mutually agreed that the Museum's longstanding contract with Creativevents, owned by CH&Co, should be terminated early. Having carefully reviewed the options available it was decided that the catering and hospitality operation would be brought in house from June 2021. Brooklands Museum would like to express its thanks to Creativevents for what was a long-running and successful partnership.

Learning and Education

In 2021/20 Brooklands Museum already had 11,912 children booked in to take part in organised school visits at the point when the Museum closed and 6,275 of these children had made their visits.

Learning was taken online while the Museum was closed, through the introduction of a new 'Museum From Home' section on the website. Here, visitors could engage with the Museum through various learning activities, including Collection Close up videos, stories from around the Collection, Volunteers' stories, colouring sheets, jigsaw puzzles, and craft activities. On site new problem-solving trails were provided free of charge to visiting families and proved very popular.

Whilst many of the Museums on-site learning and outreach activities had to be forestalled because of Covid, since reopening in May 2021 interest has picked up with 1538 children visiting during what remained of the summer term.

Volunteers

Brooklands Museum's volunteers have long been a key part of the Museum community, contributing countless hours to enhance the visitor experience and care for the Collection and Heritage Site. This work continued during the 2020 closures, with over 200 hours of volunteer time dedicated to removing weeds from the Race Track in the summer months, and deep cleaning gallery spaces. Upon reopening, an average of 22 volunteer stewards worked each day, amounting to 400 volunteers returning, half of the overall volunteer cohort.

New 'Welcomer' roles were created for volunteers in 2020, taking the temperature of all visitors to the Museum and ensuring the public felt safe and comfortable onsite. New procedures were introduced to control social distancing in exhibition areas, and volunteer stewards worked hard to make sure they were being followed without hampering the

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Museum experience. Motoring volunteers took part in our new offer of daily vehicle demonstrations on the Finishing Straight in school holidays.

Duke of Edinburgh recruitment continued in 2020, with 21 new volunteers joining the scheme before the Museum closure. Recruitment was paused after March 2020 but is being picked up again in 2021.

The Museum is grateful to all volunteers who help achieve the Brooklands Commitment of Brooklands at its best, every day, and would like to extend its appreciation to all those who adapted quickly to the new Covid-secure procedures and made visitors feel safe returning to Brooklands Museum after lockdown.

The Museum would like to extend its thanks to volunteers who dedicated their time to filming *Secrets of the Transport Museum* in 2020. Without them the programme would not have been as successful or as moving as it was and they deserve recognition for their achievements.

The volunteers continued to be an asset to the Museum, as evidenced in visitor feedback: *"All the volunteers we spoke to were keen to help and were very good at answering the children's questions especially about things we'd seen in your new series on TV (something my eldest has been making sure we don't miss). Given the current circumstances it was lovely to spend an afternoon doing something 'normal' with the kids."*

Collections and Exhibitions

During 2020 the Brooklands Society Collection was formally signed over to Brooklands Museum Trust. This is a landmark point in the history of the Museum Collection, as it brings the collection of an organisation behind the conception of the museum into the Museum's ownership for the first time.

Brooklands Museum received a statue of Alcock & Brown on Loan from Heathrow Airport, which now stands near the replica of the Vickers Vimy in which they crossed the Atlantic in 1919. The statue was unveiled in a special event attended by HRH Prince Michael of Kent.

The Grand Prix exhibition in the Jackson Shed was brought up to date with the addition of a FIA Formula E Mercedes-Benz EQ Silver Arrow, on loan from Mercedes-Benz. This allowed the Museum to introduce the topic of the climate crisis to our onsite Interpretation, framing it as a challenge for innovators in the world of motorsport to overcome.

Elsewhere, the Museum took the decision to close the offsite storage facility at Bicester which had been used for both Collection and non-Collection items. The non-accessioned items were rationalised and those that were retained, along with Collection items, were brought back to the Museum site.

During the year the Collections Review committee looked at the future of ZA150, a VC10 aircraft acquired by the Museum from the RAF in 2013 and kept at Dunsfold. The aircraft's long-term future at Dunsfold was in doubt because the site was being redeveloped for housing. The committee considered a range of options for its future and concluded that it should be de-accessioned and disposed of. There is no space for it on the Museum site, where there is already a VC10 and a VC10 fuselage on display. Moving the aircraft would cost hundreds of thousands of pounds. Brooklands Museum has other examples of the aircraft at its main site. No other Museum had the desire or resources to move it and so it was transferred to a commercial company with the aspiration to return it to flight in order to move it to a new location.

Brooklands Members

2020 was a very challenging year for the Members after a strong January and February.

We offered a free extension to Members to cover the first anticipated closure which was finally offered as a six-month free Membership period for anyone who wished to maintain their Membership but whose financial circumstances did not permit them to. By the end of 2020, 374 Members had taken up this offer.

In addition, we did lose a lot more Members than in previous years, and without an onsite recruitment campaign for much of the year the general churn of Members was not replaced by new Members. The year ended with 3,986 full paid-up Members. In total 1,960 Memberships were lapsed or cancelled and 549 new Memberships were taken out, 57% of these were prior to the initial lockdown.

To engage our Membership, additional social media content was delivered, including many 'virtual' events on the days the actual events should have taken place. We also took the Talks program online in a way to offer value to our Members.

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Partners and Fundraising

2020 continued to see strengthening relationships with the many partners with whom we are delighted to work, including London Bus Preservation Trust, Creativevents, Brooklands Cars Ltd, Brooklands Members and our neighbours at Mercedes Benz World, The Heights and JTI.

We also formed new partnerships with Heritage Skills Academy, Well North Enterprises and Middlechild TV amongst others.

We continue to be indebted to the many organisations and companies who fund some of our work including the DCMS, Arts Council England, National Lottery Heritage Fund, Surrey County Council, Elmbridge Borough Council, Historic England and BAE and to the many different organisations who work with us on different elements of our programme and activities.

Future Plans

As the country adjusts to the new ways of working, required by Covid-19, we are ensuring we continue to build on existing momentum and keep the museum in the public eye, as we celebrate 30 years since Brooklands Museum opened in 1991 and key motoring anniversaries including the 95th anniversary of the first British Grand Prix which took place at Brooklands in 1926. We plan to use these events to raise the profile of the Museum and as a springboard for actively fundraising for the first delivery phase of the Masterplan.

Continuing to implement our strategic plan will be a focus in 2021 and beyond. Developing the first phase of the masterplan delivery will be a key area of activity. We will also continue investing in our staff and volunteer team through the Ignition programme and will be continuing to develop our brand and marketing strategy, following the very helpful independent review of these areas in 2020.

Tamalie Newbery
Director & CEO

Brooklands Museum Trust Ltd

Trustees, Officers and Professional Advisers

Royal Patron

HRH Prince Michael of Kent

President

The Duke of Richmond

Board of Trustees

Chairman

Sir Gerald Acher CBE LVO

Other Trustees

Mr Neil Austin

Capt. Mike Bannister (vice chair)

Mr Graham Chisnall

Mr Robert Halloway

Mr Stewart John OBE (resigned 23 July 2020)

Dr Ruth Mallors-Ray OBE

Mr Simon Michaelides

Ms Marilyn Scott MBE

Mr Randolph Sesson

Mr Geoff Want

Ms Georgina Wood

Mr Gregory Mark Wood CBE (appointed 15 January 2020)

Mr Mark Seligman (appointed 4 March 2021)

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Charity Registration Number

No. 296661

Company Registration Number

No. 2109945

Brooklands Museum Trust Ltd

Report of the trustees for the year ending 31 December 2020

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

Charitable Object, Vision and Mission

Brooklands Museum Trust was incorporated in 1987 with the following object:

"The object of the Trust shall be to advance public education in the history and development of road vehicles and aircraft and objects of whatsoever nature relating to road transport and flying, and in particular any of the foregoing which are associated in any way with Brooklands at Weybridge in the County of Surrey, Brooklands Automobile Racing Club and Brooklands Aero Club."

The strategic report is contained in the report of the Director & CEO.

Financial Review

The statement of financial activities for 2020 shows an unrestricted operating surplus of £57,808. A depreciation charge of £272,845 was deducted from this resulting in a deficit, which amounted to £215,037 in unrestricted funds and £38,429 in total funds for the year. Losses in visitor income from having to close during the pandemic have been largely offset by COVID related grant income and a reduction in expenditure. The operating surplus for 2020 includes an accrual for £200,000 of Arts Council grant funding that was awarded in 2020 but not received until 2021.

Due to the impact of COVID our trading subsidiary Brooklands Limited had to suspend much of its activity during the year and accordingly suffered a small loss. The Trustees expect however that now the site is reopening this will be reversed over the next couple of years as business returns to pre-covid levels.

Risk Management

During 2019 an Audit Risk and Governance Committee was established as a sub-committee of the Board of Trustees. The committee has two independent members. A new risk register was compiled by the Executive team and is reviewed annually by the committee, and then by the Trustees. The most significant risks are discussed and mitigation strategies reviewed. The current areas of major potential risks to the Trust have been identified as the ongoing impact of the pandemic and financial resilience, aging infrastructure and stakeholder relationship management.

Structure, Governance and Management

Governing Document

The Trust's governing documents are the Memorandum of Understanding and Articles of Association of 1987, as amended in 1999 and 2008. The Trust is a registered charity, UK Charity No 296661, and is a registered UK company, registered number 2109945. The Trust has a wholly-owned subsidiary trading company, Brooklands Limited, registered number, 2321226 and the Brooklands Trust Members organisation also functions as a wholly owned activity of the Trust. The Trust also has a wholly owned non-trading subsidiary company Brooklands Vimy Inc incorporated in the State of Delaware in the USA and whose sole purpose is to own on the Museum's behalf its Vickers Vimy replica aircraft.

Appointment of Trustees

Current Trustees

The Trustees come from a wide variety of backgrounds, reflecting the trust's desire to have as wide a set of skills and experience available as is possible. During 2018 the Board undertook an audit of their skills and drew up requirements for new Trustees to fill vacancies on the Board. An open recruitment process was undertaken in the early part of 2019, led by search company Odgers, which resulted in the appointment of four new Trustees who will bring skills to the Board in the areas of aerospace engineering, marketing, STEM learning and finance. Subsequently a further Trustee was appointed to

Brooklands Museum Trust Ltd

lead the Museum's future fundraising efforts. This has significantly strengthened the Board. An Away Day was held in January 2020 for the Trustees to review the Museum's performance and discuss future strategy.

Trustees Emeritus and Vice Presidents

The Board retains in an honorary advisory capacity a number of retired senior Trustees, who are invited to attend occasional Board meetings and, especially, continue to assist the Trustees and staff with fundraising.

The current Trustees Emeritus are:

- Lord Trefgarne
- Prof Michael Joy OBE
- Stewart John OBE

Allan Winn and Sir Michael Kadoorie are Vice Presidents of the Museum.

Principles of Recruitment for New Trustees

The principle is to maintain the widest possible sets of skills and experience relevant to the Museum's business. Key areas in which the Trust seeks to maintain strength are finance, business management, marketing, political, legal and heritage, with a balance of aviation and motoring interests. A Remuneration and Nominations Sub-Committee composed of four Trustees handles this process, and makes recommendations to the full Board on new appointments.

Trustee Induction and Training

New Trustees are introduced into the trust's activities through a briefing on his/her role and the business of the company from the Company Secretary and a briefing on the activities of the company from the Museum Director. All appropriate declarations are obtained from new Trustees by the Company Secretary. Copies of the Charity Commission's guidelines are available to Trustees.

Trustee Indemnity

Professional liability insurance of £1m is in place through Ecclesiastical Insurance.

Organisation

The Director & CEO reports to the Board of Trustees and heads the staff structure. Reporting to the Director is a senior management team comprising the Chief Operating Officer, Finance Director, Director of Collections, Interpretation and Heritage, and Marketing Director. A total of 39 full-time equivalent staff were employed by the Museum in 2020 (2019:47). Due to the restructure required in July 2020 in response to the financial challenges caused by Covid 19, the number of full-time equivalent staff was reduced to below 30. In addition there are approximately 800 volunteers who support the staff in numerous ways. The Trustees are grateful to the staff and volunteers for their collective and personal contributions to the Museum's success.

Related Parties and Co-Operation with Other Organisations

Any connection between a trustee or senior manager of the charity with a supplier or customer must be disclosed to the full board of trustees. In the current year no such related party transactions were reported.

Pay Policy for Senior Staff

The Trustees are essentially the non-executive Board of the Trust and directors of the company. They give their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 10 and note 20 to the accounts. The senior management team (the Director & CEO and four heads of department) comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the Trust on a day to day basis.

The pay of the senior staff is reviewed along with that of all employees on a regular basis and increased in accordance with average earnings movements but increases are also informed by the trading position of the Museum. An element of any budgeted pay increase for staff is reserved for merit increases over and above any general increase. All such increases are set within the agreed budget limit by the Director & CEO in consultation with the senior management team. The salary of the Director & CEO is set by the Remuneration and Nominations Sub-Committee of the Trustees.

Brooklands Museum Trust Ltd

Public Benefit

The Trustees have had due regard to the Charity Commission guidance on public benefit. As a registered charity, Brooklands Museum Trust takes very seriously its responsibilities for delivering a clear and tangible public benefit through its activities. The principal areas in which it delivers this benefit are defined in the activities to achieve its aims and objectives as detailed at the start of the report.

Pricing Policy

The Museum's management strives to achieve a balance between generating the funds required to maintain and develop its heritage assets and making the Museum's displays and activities accessible to the widest possible audience. To achieve this balance, we try to keep the core admission price low, commensurate with covering Museum running costs, while creating premium revenue opportunities such as the Concorde Experience to drive up overall average yield per visitor. We also encourage as many visitors as possible to Gift Aid their admission.

Reserves Policy and Going Concern

Brooklands Museum's policy is to hold cash funds for a variety of purposes, described in its funds and reserves policy. The intended funds fall into three broad categories:

1. Unrestricted Funds, providing the operating cash required for day-to-day running of the Museum;
2. Designated Funds, determined by the Trustees from time to time to plan for the Museum's future needs; and
3. Restricted Funds, restricted to a specific purpose and which can only be used for that purpose, for instance as a condition of a grant.

The designated funds are built up from income that the Museum receives, which is outside the revenue streams included in the operating budget and is not Restricted. Cash surpluses at the end of the financial year may be allocated to designated funds. The nature of the designated funds and amounts allocated to them can be determined and amended by the Trustees in accordance with this policy.

Currently the Museum holds the cash required for its ongoing operations and day-to-day needs. This cash includes the bank loan taken out under the government-backed Coronavirus Business Interruption Loans Scheme (CBILS). The other funds all need to be built up as resources allow, by balancing the Museum's future needs with the current requirements. The impact of the closure caused by Covid 19 and subsequent period of low visitor numbers has meant that funds that had been designated for projects have had to be used for more immediate needs.

Restricted Reserves comprise funds committed for specific purposes under terms set out by the Third Parties, for instance donors and funders.

The Trustees believe that the Museum's non-project income through its regular activities is sufficient to meet the costs of running the Charity and maintaining its assets. In addition, the Trustees consider that funds will continue to become available to complete all planned projects and that, therefore, the Charity is a going concern for at least twelve months from the date of approval of these Accounts.

Fundraising

The Charity is not a member of The Fundraising Regulator, who hold the Code of Fundraising Practice for the UK. However, our approach to fundraising is to ensure that, where practically possible, we comply with the standards as set out in the Code across all of our fundraising activity, including those relating to vulnerable donors. We do not engage with any third party fundraisers. All fundraisers are required to demonstrate an understanding of the Code and make a commitment to uphold its values when they join the Museum. We did not receive any complaints this year relating to Fundraising.

Trustees' Responsibilities in Relation to the Financial Statements

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 charity and of the surplus or deficit of the company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

Brooklands Museum Trust Ltd

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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. In so far as the directors are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

In approving the Trustees Annual Report, the trustees also approve the Strategic Report in their capacity as company directors.

Auditors

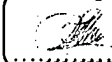
Menzies LLP are deemed to be re-appointed under section 487(2) of the Companies Act.2006.

Small Company Exemption

In preparing this report the trustees have taken advantage of special provisions of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees.

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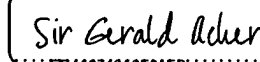


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James Thorne

Secretary

04-Aug-2021

DocuSigned by:



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Sir Gerald Acher

Trustee

05-Aug-2021

Brooklands Museum Trust Ltd

Independent auditor report to the members of Brooklands Museum Trust Limited

OPINION

We have audited the financial statements of Brooklands Museum Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 or the parent charitable company'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 Auditors' 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.

Opinion 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 Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Brooklands Museum Trust Ltd

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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:

- The Group and parent charitable company are subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Charities Act 2011, Health and Safety legislation, and the Food Safety Act 1990. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the Group and parent charitable company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Group and parent charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgments made by management in its significant accounting estimates; and
 - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

Brooklands Museum Trust Ltd

- As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:
 - Posting of fraudulent journal entries
 - Posting of fraudulent payments and receipts in the accounting software
 - Authorisation, processing, and payment of fraudulent expenses
 - Timing of revenue recognition


Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' report.

Use of our report

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

Centrum House, 36 Station Road
Egham
Surrey TW20 9LF

DocuSigned by:

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JANICE MATTHEWS FCA (Senior Statutory Auditor)
For and on behalf of MENZIES LLP
Chartered Accountants and Statutory Auditor

06-Aug-2021
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Brooklands Museum Trust Ltd

Consolidated statement of financial activities (including the income and expenditure account) Year ended 31 December 2020

	Note	Unrestricted Funds £	Restricted Funds £	Dec 2020 Total £	Unrestricted Funds £	Restricted Funds £	Dec 2019 Total £
Income							
Donations/Grants and legacies	5	1,697,689	265,412	1,963,101	826,840	493,161	1,320,001
<i>Income from charitable activities:</i>							
Operation of Museum and exhibits	6	508,764	-	508,764	1,579,737	-	1,579,737
<i>Income from trading activities:</i>							
Commercial trading operations	7	236,107	-	236,107	1,378,836	-	1,378,836
Investment income		555	-	555	1,249	-	1,249
Total incoming resources		2,443,115	265,412	2,708,527	3,786,662	493,161	4,279,823
Expenditure							
<i>Costs of raising funds:</i>							
Fundraising expenses	9	79,652	-	79,652	67,659	-	67,659
Commercial trading operations	9	236,358	-	236,358	1,091,103	-	1,091,103
<i>Expenditure on charitable activities:</i>							
Operation of Museum and exhibits	9	2,342,142	88,804	2,430,946	2,816,960	483,687	3,300,647
Total expenditure		2,658,152	88,804	2,746,956	3,975,722	483,687	4,459,409
Operating (deficit)/surplus for the year before taxation		(215,037)	176,608	(38,429)	(189,060)	9,474	(179,586)
Net (outgoing)/incoming resources before transfers		(215,037)	176,608	(38,429)	(189,060)	9,474	(179,586)
Gross transfers between funds				-			-
Net movement of funds in year		(215,037)	176,608	(38,429)	(189,060)	9,474	(179,586)
Total funds brought forward		9,497,759	(66,690)	9,431,069	9,686,819	(76,164)	9,610,655
Revaluation reserve brought forward and carried forward		-	1,650,000	1,650,000	-	1,650,000	1,650,000
Total funds carried forward	19	9,282,722	1,759,918	11,042,640	9,497,759	1,583,310	11,081,069

Of total funds, £10,823,201 comprises tangible assets and is not available to be spent

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 21 to 34 form part of these consolidated financial statements.

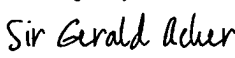
Brooklands Museum Trust Ltd

Consolidated Balance sheet 31 December 2020

	Note	Group		Charity	
		Dec-20	Dec-19	Dec-20	Dec-19
		£	£	£	£
Fixed assets					
Heritage Assets	11	1,402,892	1,492,519	1,402,892	1,492,519
Tangible assets	11	9,420,309	9,677,019	9,401,103	9,648,391
Investments	13	-	-	50,100	50,100
Total Fixed Assets		<u>10,823,201</u>	<u>11,169,538</u>	<u>10,854,095</u>	<u>11,191,010</u>
Current assets					
Stocks – goods for resale		61,433	82,665	-	-
Debtors	15	425,533	335,328	485,409	171,449
Cash at bank and in hand		<u>1,894,307</u>	<u>756,389</u>	<u>1,868,252</u>	<u>523,813</u>
Total Current Assets		<u>2,381,273</u>	<u>1,174,382</u>	<u>2,353,661</u>	<u>695,262</u>
Liabilities					
Creditors: amounts falling due within one year	16	(457,271)	(633,811)	(364,240)	(332,892)
Net current assets		<u>1,924,002</u>	<u>540,571</u>	<u>1,989,421</u>	<u>362,370</u>
Total assets less current liabilities		<u>12,747,203</u>	<u>11,710,109</u>	<u>12,843,516</u>	<u>11,553,380</u>
Creditors: falling due after more than one year	17	(1,704,563)	(629,040)	(1,704,563)	(629,040)
Provisions for liabilities and charges		-	-	-	-
Net Assets		<u>11,042,640</u>	<u>11,081,069</u>	<u>11,138,953</u>	<u>10,924,340</u>
The funds of the charity:					
Restricted funds	18	109,918	(66,690)	109,918	(66,690)
Unrestricted funds		9,282,722	9,497,759	9,379,035	9,341,030
Revaluation reserve		1,650,000	1,650,000	1,650,000	1,650,000
Total charity funds	19	<u>11,042,640</u>	<u>11,081,069</u>	<u>11,138,953</u>	<u>10,924,340</u>

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

The notes on pages 21 to 34 form part of these consolidated financial statements. These financial statements were approved by the Trustees and signed on their behalf by:

DocuSigned by:

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05-Aug-2021

Sir Gerald Acher

Chairman

Company Registration Number 2109945

Brooklands Museum Trust Ltd

Statement of cash flows and consolidated statement of cash flows 31 December 2020

	Note	Dec-20	The Group Dec-19	Dec-20	The Charity Dec-19
Cash flows from operating activities:					
<i>Net cash provided by (used in) operating activities</i>	21	<u>(138,728)</u>	<u>290,587</u>	<u>67,939</u>	<u>468,791</u>
Cash flows from investing activities:					
Interest income		555	1,250	409	716
Income from sale of fixed assets		74,990	-	74,990	-
Purchase of tangible fixed assets		(18,399)	(62,963)	(18,399)	(53,421)
Net cash provided by (used in) investing activities		<u>57,146</u>	<u>(61,713)</u>	<u>57,000</u>	<u>(52,705)</u>
Cash flows from financing activities:					
Income from borrowing - CBILS		1,250,000	-	1,250,000	-
Repayment of borrowing		(30,500)	(30,500)	(30,500)	(30,500)
Cash used in financing activities		<u>1,219,500</u>	<u>(30,500)</u>	<u>1,219,500</u>	<u>(30,500)</u>
Increase (decrease) in cash & cash equivalents in the year		<u>1,137,918</u>	<u>198,374</u>	<u>1,344,439</u>	<u>385,586</u>
Cash & cash equivalents at the beginning of the year		756,389	558,015	523,813	138,227
Total cash and cash equivalents at the end of the year	22	<u>1,894,307</u>	<u>756,389</u>	<u>1,868,252</u>	<u>523,813</u>

The notes on pages 21 to 34 form part of these consolidated financial statements.

Brooklands Museum Trust Ltd

Notes to accounts Year ended 31 December 2020

1. General information

Brooklands Museum Trust Limited is a private company limited by guarantee incorporated in England and Wales. The address of its registered office is disclosed on page 7.

The presentational currency is the same as the functional currency which is pounds sterling. The accounts are rounded to the nearest £.

2. Liability of members limited by guarantee

Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up, such amounts as may be required not exceeding the sum of £5.

3. Museum collection

Under the terms of a Trust deed dated 26 July 1989, the Brooklands Museum Collection Trust was formed for the purpose of holding some of the exhibits of Brooklands Museum. On 31 March 1990 ownership of all Museum exhibits at that date was transferred from this company to the Brooklands Museum Collection Trust. The Brooklands Museum Collection Trust, by the terms of the said deed, loans the exhibits to this company for display purposes. The Collections Trust is a separately registered Charity from 14 March 2006 and is classified as a subsidiary of the Museum. It conducted no trade during the period and remained entirely dormant. The assets of the Collection Trust have never been valued and are not consolidated into these accounts.

4. Accounting policies

Basis of preparation

The financial statements are prepared in accordance with 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 the Republic of Ireland (FRS102) (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The statement of financial activities (SOFA) and the balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. The charity considers itself to be a Public Benefit Entity as defined by FRS102.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income is recognised in the Statement of Financial Activities once the Museum has entitlement to the resources. However, the entitlement to these resources and assumptions regarding when income is recognised is down to interpretation. Liabilities are recognised where there is a legal and constructive obligation committing the charity to the expenditure. However, the level of legal obligation to which these resources are incurred and assumptions regarding when the obligations are recorded is down to interpretation.

Going concern

The activities of the Museum, like all other similar organisations, has been severely impacted by the Covid 19 Pandemic leading to a substantial loss of income during the 2020 year. However, because the Trust has been able to receive a substantial amount of Government support using the furlough scheme and also loan finance, and has also received grant funding, the impact has been substantially mitigated. The Trustees have accordingly prepared detailed projections for the next 12 months and outline projections up to 2026, based on expected income from regular activities, grants and donations from funders and other donations, against expected general and project expenditure. On the basis of those projections they consider the charity to be a going concern for at least 12 months following approval of the accounts and for the foreseeable future. No material uncertainties that may cast significant doubt about the ability of the Museum to continue as a going concern have accordingly been identified by management or the Trustees. The financial statements have been prepared on the going concern basis.

Brooklands Museum Trust Ltd

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Brooklands Ltd on a line-by-line basis. A separate Statement of Financial Activities and income and expenditure account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The profit for the charity at year end December 2020 was £214,614.

Fund accounting

Accumulated surpluses in the General Fund are included within Unrestricted Funds and are available for use at the discretion of the Trustees in furtherance of the Trust's general charitable objectives. Restricted Funds are subject to specific conditions imposed by the donors.

Income

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met, there is reasonable assurance of receipt and the amount can be measured with sufficient reliability.

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 Trust that distribution will be made; or
- when a 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.

Donations

Donations and all other receipts from fund-raising are reported gross and related fund-raising costs are reported in other expenditure. Donations are included in full in the income and expenditure account on a receipts basis. Income tax recoverable in relation to donations received under gift aid is recognised at the time of the donation. No amounts are included in the financial statements for services donated by volunteers.

Government Grants

Government grants are incoming resources which are received from government, government agencies and similar bodies whether local or national. Such grants are accounted for when they are receivable. Amounts specified for future periods are carried forward as deferred income.

Income from Charitable Activities and Trading

Income from ticket sales is recognised at the point of the visit and is shown net of Value Added Tax. Income received in respect of future periods is carried forward as deferred income.

Income from the sale of goods is recognised at the point of sale and is shown net of Value Added Tax.

Income from catering is recognised at the point of provision of the catering and is shown net of Value Added Tax. Income received in respect of future periods is carried forward as deferred income.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates. Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fund-raising purposes.

Charitable expenditure comprises those costs incurred by the Museum in the delivery of their activities and services for beneficiaries. It includes both costs that can be allocated directly to those activities and those costs of an indirect nature necessary to support them. Costs in relation to compliance with constitutional and statutory requirements are shown under governance costs. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Museum and include the audit fees and costs

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Support costs are shared across all activities undertaken by the Museum and include governance costs, administration, Human Resources, IT and general running costs. The basis on which these costs have been allocated is set out in Note 9.

Termination benefits arise where an employee is made redundant or accepts voluntary redundancy and are charged to the Statement of Financial Activities immediately. The liability is recognised as the best estimate of the cost at the reporting date.

Hire purchase agreements

Assets financed under hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful economic lives. Finance charges and interest in connection with hire purchase contracts are charged to the profit and loss account.

Fixed assets

Individual fixed assets costing more than £1,000 are capitalised at cost.

Buildings and major museum works are depreciated over 20 years.

Plant & equipment is depreciated over 5 years.

The land element of the site is carried at a valuation of £1,650,000 which was calculated when the site was gifted to the museum by Japan Tobacco International. No depreciation is charged on land.

The BAF project was completed in 2017 and the individual elements of the spend are being depreciated over their useful economic lives. The majority of the project is being depreciated over 50 years, some elements between 10-25 years.

Heritage assets

The museum's collection of motor cars, motorcycles and aircraft, excluding the assets held in the Brooklands Museum Collection Trust, is reported in the Balance Sheet at cost. This is considered to be an appropriate method of recognition on the basis that the value of many of these items does not fluctuate dramatically.

Cost includes the purchase price plus any associated costs in bringing the exhibit to its site in the Museum and to its current condition.

Depreciation is not provided on any Museum exhibits as the residual value of the exhibits equates to at least the net book value stated in the financial statements. Most donated assets are not ascribed a value as the cost of obtaining such a value would be prohibitive.

Subject to the approval of the Trustees, the Museum may dispose of items from the collection, although this will only happen in exceptional circumstances, for example when the item cannot be displayed or the disposal proceeds can be used to purchase a better example. Due process and assessment would be followed that satisfies the Museum's disposal procedures.

The Museum's exhibits include a collection of items loaned to them by third parties. These assets are not included on the Balance Sheet since they are not owned by the Museum.

In addition, the Museum holds a collection of motoring and aviation ephemera which is not recognised in the Balance Sheet as cost information is not readily available and the Trustees believe the benefits of obtaining a valuation for these items would not justify the cost.

The Museum's management policy in respect of its heritage assets is summarised in Note 12. The Museum makes available on its website a full listing of its collection of motor cars and planes which also includes information on the history and provenance of each exhibit. This listing clearly distinguishes between assets which are owned by the Museum and those that are on short or long term loan to the entity.

Investments

Investments are stated at cost less provision for any impairment in value.

Stocks

Stocks, being finished goods and goods for resale, are valued at the lower of cost and net realisable value.

Debtors

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

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Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

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

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

5. Income from Donations

	2020	2019
General Donations	59,441	306,644
Corporate Donations	4,000	25,000
Legacy Donation	29,000	49,622
Fundraising Donations	706,296	938,735
Government grants:		
Coronavirus Job Retention Scheme	239,364	-
National Lottery Heritage Fund - Emergency Fund	250,000	-
Arts Council - Culture Recovery Fund	675,000	-
	1,963,101	1,320,001

Of the £1,963,101 received or accrued for in 2020 (2019: £1,320,001) £265,412 was held in restricted funds (2019: £493,161). Of the Arts Council grant funding £200,000 was awarded in 2020 but not received until 2021.

6. Income from Charitable Activities

	Unrestricted funds 2020	Unrestricted funds 2019
Gate revenue	430,057	1,368,984
Site hire	47,580	27,379
Special Events	0	1,045
Concorde	28,753	134,172
Other incoming resources	2,374	48,157
	508,764	1,579,737

7. Income from Trading Activities

The wholly owned trading subsidiary Brooklands Ltd is incorporated in the United Kingdom (company number 2321226). Its registered office is the same as Brooklands Museum Trust Limited. It pays all of its profits to the charity under the gift aid scheme. Brooklands Ltd operates the Museum Shop, Brooklands Concorde Simulator, the 4D Theatre and all catering activities onsite. A summary of the trading results is shown below.

The registered office of Brooklands Limited is at Brooklands Museum, Brooklands Road, Weybridge, Surrey KT13 0NQ.

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Brooklands Limited

	Note	Dec 20	Dec 19
		£	£
Turnover	3	236,107	1,378,836
Cost of sales		(175,668)	(839,617)
Gross profit		60,439	539,219
Administrative expenses		(162,690)	(385,377)
Operating profit		(102,251)	153,842
Interest receivable and similar income		146	534
Interest payable and similar charges		-	(250)
Gift aid to parent company	5	-	-
Profit (Loss) on ordinary activities before taxation		(102,105)	154,126
Tax (charge) on profit on ordinary activities		-	(29,286)
Tax relief in respect of Gift Aid		-	29,286
		(102,105)	154,126
Prior year adjustment			
Opening retained earnings		156,763	255,893
Payment to parent charity made under the gift aid scheme		(150,938)	(253,256)
Tax relief in gift aid payment made			
Retained profit carried forward		(96,280)	156,763

At the year end the aggregate assets of Brooklands Limited were £115,296 (2019: £513,042), aggregate liabilities £211,476 (2019: £356,179) and shareholder funds (£96,180), (2019: £156,863).

Until 31/05/2021 the trust contracted management of its tea rooms and bar catering to Creativevents Limited. All operating costs were borne by Creativevents Limited. The revenues were collected by them and a profit-sharing arrangement was in place, prior to Covid. The whole of catering business was brought in house on 01/06/21.

8. Expenditure for the year

	Dec 2020	The Group Dec 2019	Dec 2020	The Charity Dec 2019
	£	£	£	£
The expenditure for the year includes:				
Auditor remuneration				
- audit fees	15,750	15,570	11,850	11,500
- taxation and other consultancy	1,160	1,000	675	1,000
- other services	4,428	4,428	4,428	4,428
Depreciation	272,845	235,430	263,423	227,655

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9. Allocation of expenses (excludes restricted expenditure)

	Cost of generating funds		Costs of generating funds		Cost of charitable activities		Charity Governance	
	Cost of sales		Fundraising expenses		Museum curatorial and repair costs			
	Dec-20	Dec-19	Dec-20	Dec-19	Dec-20	Dec-19	Dec-20	Dec-19
	£	£	£	£	£	£	£	£
The Group								
Staff costs (general)	366,714	527,727	55,372	17,031	748,807	666,871	-	-
Support costs	401,769	649,391	24,280	50,628	529,030	744,534	66,766	68,442
Cost of sales catering & shop	175,668	1,015,669	-	-	-	-	-	-
Depreciation and losses on disposal	9,422	7,775	-	-	280,324	227,655	-	-
	<u>953,573</u>	<u>2,200,562</u>	<u>79,652</u>	<u>67,659</u>	<u>1,558,161</u>	<u>1,639,060</u>	<u>66,766</u>	<u>68,442</u>
The Charity								
Staff costs (general)	366,714	527,727	55,372	17,031	748,807	666,871	-	-
Support costs	354,976	624,557	24,280	50,628	529,030	744,534	62,291	63,117
Depreciation	-	-	-	-	280,324	227,655	-	-
	<u>721,690</u>	<u>1,152,284</u>	<u>79,652</u>	<u>67,659</u>	<u>1,558,161</u>	<u>1,639,060</u>	<u>62,291</u>	<u>63,117</u>

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10. Information regarding employees

No Trustees received remuneration or reimbursement of expenses in the current or preceding year.

	Dec 2020 Average No.	Dec 2019 Average No.	The Group and the Charity Dec 2020 FTE	Dec 2019 FTE
Average number of persons employed:				
Administration & Fundraising	7	8	5	6
Site & Security	4	4	4	4
Collections & Heritage	6	9	6	9
Generating Funds	24	29	18	20
Learning & Visitor Services	8	14	6	8
	<u>49</u>	<u>64</u>	<u>39</u>	<u>47</u>

	Dec 2020 £	Dec 2019 £
Employee costs during the year:		
Wages and salaries	1,001,746	1,167,110
Social security costs	88,767	94,883
Contribution to defined contribution pension schemes	36,358	37,218
Redundancy costs	63,415	-
	<u>1,190,286</u>	<u>1,299,211</u>

During the year 2 employees were paid emoluments in excess of £60,000 as follows:

	2020 No	2019 No
In the range of £70,000 to £80,000	0	1
In the range of £60,000 to £70,000	1	1

Key management personnel of the charity during 2020 comprised of the Director & CEO, Chief Operating Officer, Finance Director, Director of Collections, Interpretation and Heritage, Director of Learning and Participation, Marketing Director and Heritage Estate Projects Manager whose employee costs total £338,365 (2019: £384,829). As a result of the organisational restructure brought about by Covid 19, from July 2020, the key management personnel comprised of Director & CEO, Chief Operating Officer, Finance & Support Services Director, Engagement & Heritage Director and Marketing Director.

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

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11. Tangible fixed assets

	Museum Exhibits £	Site and buildings £	Plant and equipment £	Total £
Group				
Cost:				
At 1 January 2020	2,167,926	10,345,726	1,965,060	14,478,712
Additions	2,264	11,552	4,583	18,399
Disposals	(91,891)			(91,891)
At 31 December 2020	2,078,299	10,357,278	1,969,643	14,405,220
Accumulated depreciation:				
At 1 January 2020	675,407	1,895,634	738,133	3,309,174
Charge for the year	-	196,941	75,904	272,845
At 31 December 2020	675,407	2,092,575	814,037	3,582,019
Net book value:				
At 31 December 2020	1,402,892	8,264,703	1,155,606	10,823,201
At 31 December 2019	1,492,519	8,450,092	1,226,927	11,169,538
	Museum Exhibits £	Site and buildings £	Plant and equipment £	Total £
Charity				
Cost:				
At 1 January 2020	2,167,926	10,345,726	1,639,944	14,153,596
Additions	2,264	11,552	4,583	18,399
Disposals	(91,891)			(91,891)
At 31 December 2020	2,078,299	10,357,278	1,644,527	14,080,104
Accumulated depreciation:				
At 1 January 2020	675,407	1,895,634	441,645	3,012,686
Charge for the year	-	196,941	66,482	263,423
At 31 December 2020	675,407	2,092,575	508,127	3,276,109
Net book value:				
At 31 December 2020	1,402,892	8,264,703	1,136,400	10,803,995
At 31 December 2019	1,492,519	8,450,092	1,198,299	11,140,910

Brooklands Museum Trust Ltd

Site freehold valuation

The Museum holds title of the Museum site freehold having been the beneficiary of a generous transfer from Japan Tobacco Inc in 2010. The property was valued on an existing use basis by reference to its earnings potential by Matthews and Goodman LLP.

The property is owned subject to the Covenant that in the event the site, or any part of it, is sold for redevelopment for commercial gain, all proceeds revert to the donor, Japan Tobacco International.

The valuation of £1,650,000, included in the site and buildings costs brought forward, has been calculated on the basis that the title is unencumbered and free from any onerous or restrictive covenant as to its use. However it has been assumed that the site would continue to be used for heritage purposes.

The carrying value of fixed assets which are pledged as security for liabilities is £8,264,703 (2019: £8,450,092).

12. Heritage Assets

Cost	Vintage Cars	Aircraft	Motorcycles /cycles
At 1 Jan 2020	£937,695	£501,765	£32,550
Additions	-	-	-
Disposals	-	(£91,891)	-
Depreciation	-	-	-
At 31 Dec 2020	£937,695	£409,874	£32,550

Five-year summary of heritage asset transactions

	2020	2019	2018	2017	2016
Additions	-	£11,492	£9,056	£36,453	£86,133
Donations	-	-	-	-	-
Total additions	-	£11,492	£9,056	£36,453	£86,133
Disposals					
Carrying value	£91,891	-	-	-	-
Sales proceeds	£74,990	-	-	-	-

Other than that disclosed above, the majority of transactions in ephemera during the period were acquisitions by donation. In the Trustees' view, the value of these donations is not material and obtaining a current valuation would involve disproportionate cost.

Heritage assets management policy

The Museum displays a collection of over 100 vehicles, over 30 motorcycles, nearly 40 aircraft and over 100 bicycles which reflect the history of Brooklands. All of these items are on display to the public.

The Museum also holds a large collection of motoring and aviation ephemera associated with the history of the site. This collection comprises some 50,000 items including manuals, trophies, badges, models, furniture workshop equipment, prints, paintings and drawings plus a library and extensive photo and technical archive.

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13. Investments

	£
Company	
100 ordinary shares in subsidiary company at cost 1 January 2020 and 31 December 2020	100
Debenture loan secured in subsidiary company at 1 January 2020 and 31 December 2020	50,000
	<u>50,100</u>

The Investment amount of £50,000 (December 2019 - £50,000) is in respect of a debenture loan made to Brooklands Limited, the trading subsidiary of Brooklands Museum Trust Limited. This debenture loan was for a period of 5 years with the balance repayable in full at the end of the term; however in practice it is renewed on a rolling basis upon the date of expiry and is therefore due in more than 1 year. It is therefore considered to be a fixed asset investment. It is secured on the assets of the subsidiary company and interest is charged at 1% above base rate annually.

Subsidiary	Country of Incorporation	Activity	Percentage of Ordinary shares held
Brooklands Limited	England and Wales	Catering, conferences, shop and merchandise relating to the Brooklands Museum	100%

The results of this subsidiary are shown in Note 7 to the accounts.

14. Capital commitments

There are no contracted capital commitments for the group and the company at 31 December 2020 (December 2019 - Nil).

15. Debtors

	The Group		The Charity	
	Dec-20	Dec-19	Dec-20	Dec-19
	£	£	£	£
Trade debtors	9,841	191,283	1,397	22,144
Amount owed by subsidiary undertaking	-	-	69,632	5,260
Taxation and social security	51,536	-	50,349	-
Prepayments and accrued income	364,156	144,045	364,031	144,045
	<u>425,533</u>	<u>335,328</u>	<u>485,409</u>	<u>171,449</u>

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16. Creditors: amounts falling due within one year

	The Group		The Charity	
	Dec-20	Dec-19	Dec-20	Dec-19
	£	£	£	£
Bank loan and overdrafts	125,000	-	125,000	-
Trade creditors	117,377	370,723	79,725	120,806
VAT, taxation and social security	19,319	61,523	19,319	58,269
Amounts due to subsidiary company	-	-	-	-
Accruals and deferred income	140,128	168,217	84,749	120,469
Government assistance - CBILS loan interest	18,977	-	18,977	-
Other creditors	36,470	33,348	36,470	33,348
	<u>457,271</u>	<u>633,811</u>	<u>364,240</u>	<u>332,892</u>

Movements in Deferred Income

	The Group	
	Dec-20	Dec-19
	£	£
Deferred income at 1 January 2020	50,575	46,450
Grants released to income during year	-	-
Ticket sales released during year	(6,877)	-
Premium sales released during year	(3,587)	(46,450)
Grants deferred to following year	30,000	-
Ticket sales deferred to following year	-	6,877
Premium sales deferred to following year	1,532	43,698
Deferred income at 31 December 2020	<u>71,643</u>	<u>50,575</u>

Grants which are intended by the grantor to be spent in future periods and advance ticket sales are carried forward as Deferred Income.

17. Creditors: amounts falling due after more than one year

	The Group		The Charity	
	Dec-20	Dec-19	Dec-20	Dec-19
	£	£	£	£
Bank loan - CBILS	1,106,023	-	1,106,023	-
Other Loan	13,540	44,040	13,540	44,040
Brooklands Bond	585,000	585,000	585,000	585,000
	<u>1,704,563</u>	<u>629,040</u>	<u>1,704,563</u>	<u>629,040</u>

The Brooklands Bond of £585,000 relates to bonds issued in March 2013. Interest is payable annually at 3.5% to 4.5% depending on the level of bonds issued. The bonds are redeemable 5 years from the date of issue however all Bonds were renewed and rolled over for a further 5 years in 2018.

There is an additional charge over the freehold property which arose on securing funding from NLHF.

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18. Movements in restricted funds

	NLHF - BAF/RH	Other Funds	Revaluation Reserve	Dec-20 Total
	£	£	£	£
Balance @ 1 Jan 2020	(99,707)	33,017	1,650,000	1,583,310
Grant/donations receivable	117,590	147,822	-	265,412
Expenditure	(17,883)	(70,921)	-	(88,804)
Transfers to unrestricted funds	-	-	-	-
Balance at 31 Dec 2020	0	109,918	1,650,000	1,759,918

The purposes of the restricted funds are outlined below:

National Lottery Heritage Fund Grant – Brooklands Aircraft Factory and Racetrack Revival Project

Following on from the first-round development grant the Museum has secured funding of £5.181 million from the National Lottery Heritage Fund for its Brooklands Aircraft Factory and Race Track Revival Project. Works started in late 2015 and were completed in November 2017. The activities funded by the project ran until mid-2020.

National Lottery Heritage Fund Grant - Resilient Heritage Project

In January 2019 the Museum secured a resilient heritage grant from the National Lottery Heritage Fund for £139,000. The overall purpose of the project is to enable the museum to improve its organisational strategy, management and financial performance so it can meet its responsibilities to the heritage it cares for, the public, staff and volunteers.

Other Funds

Included in Other Funds is a small grant awarded by Surrey County council to fund research into land ownership of the Brooklands circuit, administered by the **Brooklands Heritage Partnership**; **The Vanguard Fund** comprising of donations made by Chapman Freeborn Air Chartering and its staff to assist with the restoration of the aircraft; **Heritage Skills Academy**, funds donated by The Galashan Trust towards the refitting of the Flight Shed workshop, to be used for their apprenticeship scheme.

19. Analysis of Net Assets between funds

Group	Fixed Assets £	Net Current Assets £	Long Term Liabilities (including provisions)	Total 2019 £
Unrestricted funds	9,173,201	1,814,084	(1,704,563)	9,282,722
Restricted funds	1,650,000	109,918	-	1,759,918
	10,823,201	1,924,002	(1,704,563)	11,042,640

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Charity	Fixed Assets £	Net Current Assets £	Long Term Liabilities (including provisions)	Total 2019 £
Unrestricted funds	9,204,095	1,879,503	(1,704,563)	9,379,035
Restricted funds	1,650,000	109,918	-	1,759,918
	<u>10,854,095</u>	<u>1,989,421</u>	<u>(1,704,563)</u>	<u>11,138,953</u>

The revaluation reserve of £1,650,000 relating to the title of the Museum's site freehold has been disclosed as a restricted fund as the property is owned subject to the Covenant that in the event the site, or any part of it, is to be sold for redevelopment for commercial gain, all proceeds revert to the donor disclosed in note 8 to the accounts

20. Related party transactions

The results of the trading subsidiary Brooklands Limited is shown in Note 7, the amounts due to and from Brooklands Limited at the year-end is disclosed in Notes 16 and 17 respectively.

Management charges to Brooklands Limited during the year were £102,000 (2019; £204,000). At 31 December 2020 Brooklands Limited owed £69,632 to the parent charity (2019; £5,260).

21. Reconciliation of net income to net cash flow from operating activities

	Dec-20	The Group Dec-19	Dec-20	The Charity Dec-19
Net income/(expenditure) for the reporting period (as per the statement of financial activities:	(38,429)	(179,586)	214,614	(80,456)
Adjustments for:				
Depreciation charge	272,845	235,430	263,423	227,655
Loss on Disposal	16,901	-	16,901	-
Interest income shown in investing activities	(555)	(1,250)	(409)	(716)
Interest on CBILs	(18,977)	-	(18,977)	-
Decrease (increase) in stock	21,232	11,857	-	-
Decrease (increase) in debtors	(90,795)	255,989	(313,961)	248,975
Increase (decrease) in creditors	(301,540)	(31,853)	(93,652)	73,333
Net cash used in operating activities	<u>(138,728)</u>	<u>290,587</u>	<u>67,939</u>	<u>468,791</u>

22. Analysis of cash and cash equivalents

	Dec-20	The Group Dec-19	Dec-20	The Charity Dec-19
Cash in hand	1,894,307	756,389	1,868,252	523,813
Notice Deposits (less than 3 months)	-	-	-	-
Overdraft facility payable on demand	-	-	-	-
Total cash and cash equivalents	<u>1,894,307</u>	<u>756,389</u>	<u>1,868,252</u>	<u>523,813</u>

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23. Analysis of changes in net debt - Group

	At start of year	Cashflows	Other changes	At end of year
Cash	756,389	1,137,918	-	1,894,307
Cash equivalents	-	-	-	-
		1,137,918		
Loans falling due within one year	(30,500)	(94,500)	(30,500)	(155,500)
Loans falling due after more than one year	(629,040)	(1,125,000)	30,500	(1,723,540)
	<u>(96,849)</u>	<u>81,582</u>	<u>-</u>	<u>(15,267)</u>