

SOUTHAMPTON 2025 TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Company Registration Number 07344461

Charity Number 1139269

SOUTHAMPTON 2025 TRUST
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

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SOUTHAMPTON 2025 TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Registered charity name Southampton 2025 Trust

Charity number 1139269

Company registration number 07344461

Registered office Civic Centre
Southampton
SO14 7LY

Trustees S Permalloo
S Kaur
T Keeping
J Hall
A O'Neill
S Hollick
L Read
M Harris
N McDuff
M Guthrie

Independent Examiners Hopper Williams & Bell Limited
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
SO53 4AR

SOUTHAMPTON 2025 TRUST
TRUSTEES ANNUAL REPORT
YEAR ENDED 31 MARCH 2022

The Trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the company for the year ended 31 March 2022, which are also prepared to meet the requirements for a director's 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) (Charities SORP (FRS 102)).

Reference and administrative details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

THE TRUSTEES

The Trustees who served the company during the period were as follows:

S Permalloo (Chairperson)	(appointed 24 November 2021)
M Charlton	(resigned 24 August 2022)
D Fitzhenry	(appointed 17 May 2021, resigned 8 November 2021)
M Guthrie	(appointed 26 July 2022)
J Hall	
M Harris	(appointed 15 February 2022)
S Hopkins	(resigned 28 February 2022)
S Kaur	
T Keeping	
N McDuff	(appointed 15 February 2022)
A O'Neill	
L Read	(appointed 12 January 2022)
S Hollick	

STRUCTURE, GOVERNANCE AND MANAGEMENT

Southampton 2025 Trust is an incorporated charity under the terms of the Company's Articles of Association and the Charity Memorandum issued on 24 May 2010 and revised 6 November 2020.

Southampton 2025 Trust has appointed a board of Trustees to run the charity and they appoint a chairperson who oversees the board of Trustees.

The Trustees have examined the major strategic and operational risks which the charity faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives it has set.

OBJECTIVES AND ACTIVITIES

The Trust continued to pursue its objective of broadening opportunities for public engagement in culture through advocacy and fundraising on behalf of cultural projects in Southampton. In the period covered by the report, under the appointment of the Director the aims of the organisation are being delivered.

SOUTHAMPTON 2025 TRUST
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2022

ACHIEVEMENTS AND PERFORMANCE

During this period, (financial year 2021-2022), the Southampton 2025 Trust continued its mission to improve the wellbeing and life opportunities of the city's residents through public engagement in arts, culture and heritage. A key objective during the year was for the Trust to focus its efforts on bidding for UK City of Culture status for Southampton in 2025, an initiative which has cross party support. Via a diverse mix of advocacy, fundraising, workshops, consultation and engagement, events, partnerships, training, and more, the Trust, under the guidance of the Board of Trustees, successfully worked towards delivering on this mission.

As part of its journey to be UK City of Culture 2025, the Trust has undertaken an extensive programme designed in response to the community and business consultation to identify and address the needs of the city and shape the direction and objectives of the bid. In addition to this the Trust secured a number of cross-sector partnerships which supported the development of the bid both strategically and financially. We introduced the Gateway Club and Culture Club.

We were delighted to receive a huge range of support from Southampton's stakeholders such as, Southampton City Council (SCC), University of Southampton and Southampton Solent University, GO! Southampton, the city's Business Improvement District, local businesses including Premier partners, Toob and seasonal partner, Westquay who all came together to support our bid to be UK City of Culture in 2025. In addition to the vast support from Southampton stakeholders, the bid also gained support from the wider business community with over 50 businesses investing in the bid. Support for the bid was further extended across the region with 11 neighbouring local authorities committing their support for the bid. We were also very proud to have secured 23 bid ambassadors who are played an active role in our bid.

UK City of Culture continues to develop the programme in response to the extensive city-wide consultation with stakeholder groups for sectors in the city, such as the health and programming; visual arts; education; business; hospitality and food; heritage and more. The SO25 Bid Team met with key stakeholders in the city, regionally, nationally and internationally to shape a year-long programme of events and activities for 2025. The Trust agreed with the following themes which were devised in consultation with stakeholders, they are We Make Waves, Open, Belonging and Turning Tides. The programme is built on collaborations and partnerships, it is an environmentally positive programme and a programme that produces an explosion of creativity. The programme addresses the need identified during the consultation in 2020-21: working with seldom heard communities, under-represented groups, those for whom English is a second language, and youth forums.

A key area of success for the Trust has been the delivery of a series of inclusion workshops (in partnership with John Hansard Gallery). These workshops were developed to work across sectors, ensuring that our Southampton organisations reflect the communities that they serve. The diverse organisations across the city attended the workshops and designed and developed their own Inclusion Pledges. In December we hosted an Inclusion Pledge Celebration Event where Inclusion Pledges were shared with the community. This work is still ongoing.

We hosted a wide range of Inspire Workshops from: Martin Green CBE, Chief Creative Officer of the Birmingham Commonwealth Games 2022 and Festival UK 2022; Kerry Kyriacos Michael, director, producer and writer; Anne Torreggiani, the CEO and founder of The Audience Agency, a UK charity for cultural participation research and development; Gustav Eden, Skateboarding Coordinator; Caroline Underwood OBE, the founder and CEO of the Philanthropy Company, a Fellow of the Royal Society of Arts and a member of the Institute of Fundraising.

SOUTHAMPTON 2025 TRUST
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2022

ACHIEVEMENTS AND PERFORMANCE (Continued)

The Trust, Chaired by Shelina Permalloo, continued to grow and expand throughout the year where Trustees were joined by respected, invaluable figures with strong local connections – Shelina Permalloo, MasterChef winner 2012; Laura Read, General Manager of Westquay; Mike Harris, Acting CEO SCC; Professor Nona McDuff OBE, Pro Vice Chancellor at Southampton Solent University.

The work conducted thus far, paves the way for Southampton to become a global cultural and economic city, improving the wellbeing and life opportunities of its residents, along with being a global hub known for its arts, culture and heritage.

Unfortunately, Southampton was not awarded UK City of Culture 2025. Since the announcement was made, we have been working on setting up a Culture Trust to maximise the legacy of the UK City of Culture 2025 Bid.

APPOINTMENT AND ELECTION OF TRUSTEES

The Trustees are appointed because of their local connections and their interests in the cultural and artistic life of the City of Southampton. The Trustees, under the Company's Articles of Association, can appoint a new director or directors, who meet these criteria, at any time. One-third of the directors must retire at each AGM but are able to offer themselves for re-election. The Chairperson is appointed by the Trustees who are able to revoke such appointment at any time by a majority vote.

New Trustees are informed of the Charity's activities over a period of three months to enable them to understand the Trusts objectives and procedures.

RESERVES POLICY

The Trust has no significant overheads; therefore the Trust has a requirement for a minimal amount of working capital to cover its day to day operating costs. Financial forecasts are updated on a regular basis to ensure operating costs incurred will be duly covered. The present level of reserves available to the charity are £454,106 (2021: £381,769).

INDEPENDENT EXAMINER

Michaela Johns FCCA has been appointed as independent examiner for the ensuing year.

SOUTHAMPTON 2025 TRUST
TRUSTEES ANNUAL REPORT *(continued)*
YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in Charities SORP (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees

Shelina Permalloo

S Permalloo
Chairperson

8 November 2022

**INDEPENDENT EXAMINER'S REPORT ON THE UNAUDITED FINANCIAL
STATEMENTS TO THE MEMBERS OF SOUTHAMPTON 2025
TRUST ON THE UNAUDITED FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 MARCH 2022**

I report to the trustees on my examination of the accounts of the Southampton 2025 Trust ("the Trust") for the year ended 31 March 2022, which are set out on pages 7 to 15.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent examiner's statement – matter of concern identified

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants (ACCA), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

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

In carrying out my examination I noted that remuneration totalling £3,750 was paid to S Permaloo (Chairperson). The charity's Articles of Association do not permit trustees to be remunerated without the prior written approval of the Charity Commission, which was not obtained.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

Michaela Johns

Michaela Johns FCCA
Independent examiner
Hopper Williams & Bell Limited
Chartered Accountants
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR

11/11/2022
Date

SOUTHAMPTON 2025 TRUST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £	Total funds 2021 £
<u>Income</u>					
Donations and legacies	2	-	293,400	293,400	246,440
Charitable activities	3	-	313,452	313,452	200,000
Total income			606,852	606,852	446,440
<u>Expenditure</u>					
Charitable activities	4		(527,423)	(527,423)	(81,091)
Governance costs	5	(7,092)	-	(7,092)	(2,310)
Total expenditure		(7,092)	(527,423)	(534,515)	(83,401)
Net income/(expenditure)		(7,092)	79,429	72,337	363,039
<u>Net movement in funds</u>					
Balances at 1 April 2021		16,420	365,349	381,769	18,730
Balances at 31 March 2022		9,328	444,778	454,106	381,769

The Statement of Financial Activities includes all gains and losses in the year and therefore a Statement of Total Recognised Gains and Losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on page 10 to 15 form part of these financial statements.

SOUTHAMPTON 2025 TRUST
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2022

	Note	2022 £	£	2021 £	£
Income	2 & 3		606,852		446,440
Total expenditure	4 & 5		(534,515)		(83,401)
Operating surplus			<u>72,337</u>		<u>363,039</u>
 Retained surplus for the financial year			 <u><u>72,337</u></u>		 <u><u>363,039</u></u>

The Income and Expenditure Account includes all gains and losses in the year and therefore a Statement of Total Recognised Gains and Losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on page 10 to 15 form part of these financial statements.

SOUTHAMPTON 2025 TRUST

Registered Number 07344461

BALANCE SHEET**31 MARCH 2022**

	Note	2022 £	2021 £
Current assets			
Grants receivable	7	93,800	177,500
Prepayments		7,107	-
Cash at bank		476,070	250,010
		<u>576,977</u>	<u>427,510</u>
Creditors: Amounts falling due within one year	8	<u>(122,871)</u>	<u>(45,741)</u>
Net current assets		454,106	381,769
Total assets less current liabilities		<u>454,106</u>	<u>381,769</u>
Net assets		<u>454,106</u>	<u>381,769</u>
Funds			
Restricted funds	9	444,778	365,349
Unrestricted funds	10	9,328	16,420
Total funds		<u>454,106</u>	<u>381,769</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 8 November 2022 and were signed on its behalf by:

Shelina Permalloo

S Permalloo
Chairperson

The notes on pages 10 to 15 form part of these financial statements.

SOUTHAMPTON 2025 TRUST

Registered Number 07344461

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

1. Accounting policies

Basis of preparation

Southampton 2025 Trust is a charitable company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The financial statements have been 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 Republic of Ireland (FRS102) (effective for accounting periods beginning on or after 1 January 2019) - Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and the Companies Act 2006. Assets and liabilities are initially recognised as historical cost or transaction values unless otherwise stated in the relevant accounting policy notes.

The going concern basis of accounting has been applied. This is considered to be appropriate by the Directors and Trustees on the assumption that continuing support will be forthcoming from Southampton City Council, other Southampton based partners and a range of local and national funders.

The Charity's principal activities and nature of its operations are as detailed in the Trustees report.

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

Income

All incoming resources are included in the statement of financial activities when the charity is entitled to, and there is sufficient certainty that receipt of the income is considered probable, and the income and the amount can be quantified with reasonable accuracy.

Incoming donations are accounted for in the period in which they are made. Donated services and facilities are included at the value to the charity where this can be quantified.

No value is ascribed to the voluntary work provided by the various individuals within the Southampton 2025 Trust, many of whom give their time generously to promote the city's culture and its history.

Funds

Funds are classified between, restricted and unrestricted in accordance with any legal constraints upon their use, and the consequent degree of flexibility which the organisation has on using the incoming resources that give rise to the funds.

Restricted funds are subject to specific conditions or trusts imposed by the donor or the terms of a specific appeal, which are binding on the organisation.

Unrestricted funds are funds other than endowment or restricted funds and include funds designated for a specific purpose by the organisation.

SOUTHAMPTON 2025 TRUST

Registered Number 07344461

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

1. Accounting policies (continued)

Expenditure

Expenditure is classified under the following activity headings:

1. Charitable activities – these are the administrative expenses involved in the general fund-raising routines of the charity and its donations made.
2. Governance costs – represents the stewardship expenses incurred during the year.

2. Donations

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Donations				
Southampton City Council	-	253,400	253,400	246,440
DCMS	-	40,000	40,000	-
	-	293,400	293,400	246,440

The income from donations was £293,400 (2021: £246,440) of which £nil (2021: £nil) was unrestricted and £293,400 restricted (2021: £246,440).

3. Charitable activity income

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Partnership agreements for City of Culture	-	313,452	313,452	200,000
	-	313,452	313,452	200,000

SOUTHAMPTON 2025 TRUST*Registered Number 07344461***NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2022****4. Charitable activity costs**

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Projects – City of Culture	-	527,423	527,423	81,091
	-	527,423	527,423	81,091

5. Governance costs

	2022 £	2021 £
Accountancy and payroll fees	246	290
Independent examination fees	1,200	800
Sundry office expenses	5,374	858
Bank charges	124	19
Administration costs	148	343
	<u>7,092</u>	<u>2,310</u>

6. Employees

There were no employees in either the current or prior years.

A payment of £5,000 was paid to a Trustee during the year. See note 12 for further details.

7. Debtors & Prepayments

	2022 £	2021 £
Partnership contributions	93,800	177,500
Prepayments for supplies and services	7,107	-
	<u>100,907</u>	<u>177,500</u>

8. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other creditors	<u>122,871</u>	<u>45,741</u>

SOUTHAMPTON 2025 TRUST*Registered Number 07344461***NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2022****9. Restricted funds**

	Balance at 1 April 2021 £	Income £	Charitable activities £	Balance at 31 March 2022 £
Restricted Fund	<u>365,349</u>	<u>606,852</u>	<u>(527,423)</u>	<u>444,778</u>

Analysis of movements in restricted funds

	Balance at 1 April 2021 £	Income £	Charitable activities £	Balance at 31 March 2022 £
City of Culture	<u>365,349</u>	<u>606,852</u>	<u>(527,423)</u>	<u>444,778</u>

Comparative information in respect of the preceding period is as follows:

	Balance at 1 April 2020 £	Income £	Charitable activities £	Balance at 31 March 2021 £
Restricted Fund	<u>-</u>	<u>446,440</u>	<u>(81,091)</u>	<u>365,349</u>

Analysis of movements in restricted funds in respect of the preceding period is as follows:

	Balance at 1 April 2020 £	Income £	Charitable activities £	Balance at 31 March 2021 £
City of Culture	<u>-</u>	<u>446,440</u>	<u>(81,091)</u>	<u>365,349</u>

SOUTHAMPTON 2025 TRUST*Registered Number 07344461***NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2022****10. Unrestricted funds**

	Balance at 1 April 2021 £	Income £	Charitable activities £	Balance at 31 March 2022 £
General Funds	<u>16,420</u>	<u>-</u>	<u>(7,092)</u>	<u>9,328</u>

General funds

The 'free reserves' after allowing for all designated funds.

Comparative information in respect of the preceding period is as follows:

	Balance at 1 April 2020 £	Income £	Charitable activities £	Balance at 31 March 2021 £
General Funds	<u>18,730</u>	<u>-</u>	<u>(2,310)</u>	<u>16,420</u>

11. Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2022 are represented by:			
Debtors	500	93,300	93,800
Prepayments	524	6,583	7,107
Cash at bank and in hand	8,304	467,766	476,070
Creditors: amounts falling due within one year	<u>-</u>	<u>(122,871)</u>	<u>(122,871)</u>
	<u>9,328</u>	<u>444,778</u>	<u>454,106</u>

SOUTHAMPTON 2025 TRUST

Registered Number 07344461

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2022

12. Related party transactions

The following is a summary of related party transactions:

	2022	2021
	£	£
Southampton City Council	253,400	246,440
Lakaz Maman	1,200	-
S Permalloo - Judges Visit and Schools Lunch Project	1,250	-
S Permalloo - Chair remuneration	3,750	-
	<u>259,600</u>	<u>246,440</u>

The charity enjoys a close working relationship with Southampton City Council (SCC) whose current representatives on the Board are Councillor S Kaur and M Harris. Councillor D Fitzhenry was also on the board until November 2021 and S Hopkins was on the board until February 2022.

It was agreed by Trustees that the Chair of the Trust would be remunerated due to their connection with their local community, their professional skill set and the diversity they bring to the Board and also to cover any losses incurred due to Trust duties. A payment was also made to the Chair in relation to services provided for the Judges Visit and Schools Lunch Project.

In addition to this, the Chair of the Trust is a director of Lakaz Maman, a local business that provided a service to the Trust during the bid process.

Please refer to note 6 which also makes reference to these payments.