

Charity Registration No. 1146159

Company Registration No. 07862605 (England and Wales)

MISSION MOTORSPORT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

MISSION MOTORSPORT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A D Compson	
	Lieutenant General R E Nugee	(Appointed 15 June 2022)
	Mr M Cornelius	(Appointed 15 June 2022)
	Mr M P J Garside	(Appointed 2 September 2022)
	Mr J B Baguley	(Appointed 2 September 2022)
	Lieutenant Commander C Chew	(Appointed 3 September 2022)
	Mr C J Tate	(Appointed 2 September 2022)
Secretary	Ms C Favier-Tilston	
Key management	Mr A J Cameron (CEO)	
Charity number	1146159	
Company number	07862605	
Principal address	Unit 11, W&G Industrial Estate Faringdon Road East Challow Oxfordshire United Kingdom OX12 9TF	
Registered office	Unit 11, W&G Industrial Estate Faringdon Road East Challow Oxfordshire United Kingdom OX12 9TF	
Auditor	Carpenter Box Amelia House Crescent Road Worthing West Sussex BN11 1RL	
Bankers	Lloyds Bank 25 Gresham Street London EC2V 7HN	

MISSION MOTORSPORT

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MISSION MOTORSPORT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2022

The Trustees present their report and financial statements for the year ended 28 February 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Charities Act 2011, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Charity's objects are to assist wounded, injured and sick (WIS) service personnel and veterans, by advancing any lawful charitable purpose at the discretion of the directors and in particular but not exclusively:

- By raising awareness of and educating the general public and WIS servicemen and women themselves about the problems faced by service personnel and veterans, to encourage social inclusion, and to use sporting and training activities to help boost confidence, inspire others and aid the rehabilitation and recovery of WIS service personnel.
- By empowering, engaging and inspiring the disabled and disadvantaged community by the provision of training and assistance to a team of wounded service personnel and veterans by enabling them to participate in motorsport.
- By providing training, education and any other assistance to enable former armed forces personnel to find employment.

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

Achievements and performance

The period reflected in this report is Mission Motorsport - The Forces' Motorsport Charity's tenth year, and covers activities spanning the withdrawal of Covid restrictions to preparations for a celebration of the charity's first decade in existence. Approaching that ten-year milestone has encouraged an introspective look at the organisation's roots, its direction and motivation – and it is in difficult and changing times that organisations should look to their values. The focus is on the outcomes for service families through Race / Retrain / Recover, that is: sport, training and vocation continues to be relevant and impactful, and the charity's reputation in these areas is very strong.

Sport: This period has seen significant changes to the charity environment, even as Covid restrictions have eased the legacy impact on charities remains significant. Nevertheless, the charity launched a new flagship national karting program, re-established community initiatives including the 3 Sisters events in the North West and Veterans@Heritage in Bicester, and a sold out Race of Remembrance returned in expanded form to the calendar in November 2021.

Training: New technical training courses saw the highest output yet through the Training Wing, with a significant external piece of work on behalf of motorsports governing body MotorsportUK leading the way in providing a commercial training service in High Voltage and EV training across the UK as the charity upskilled rescue and recovery volunteers.

Vocation: The charity's sector initiative *Mission Automotive* has shown strong growth, raising the profile of the armed forces community across the automotive sector including within Jaguar Land Rover and Stellantis, and providing new, supported pathways into training and employment for beneficiaries. New members include exciting companies, amongst them an iconic British manufacturer, with strong interest too from aftermarket and accident repair companies.

Governance: The charity remains well served by engaged and passionate Trustees, and a governance review after the end of this reporting period resulted in a significantly expanded Board later in 2022. The work of the income generation and financial management committees has given direction and unlocked new opportunities, arising from the connections of these new board members and has also allowed the broadening of the charity's executive structure of CEO and COO by resourcing a new CFO post. Previous board members and professional advisors also support the charity, bringing pastoral, legal and HR expertise.

MISSION MOTORSPORT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

Financial review: The charity has been able to continue to meet its responsibilities and has weathered the challenges of the pandemic while maintaining output to beneficiaries. Ensuring that key beneficiary events also performed as fundraisers has been key - changing the way the charity conducted Race of Remembrance in Anglesey was a stand out success with new partners BRSCC, the motorsport organising club, but also that weekend a new Karting Race of Remembrance added breadth and depth with the support of BARC, the Thruxton based club.

A comprehensive review of fundraising mechanisms has seen a change to the charity's staffing of fundraising, with a new, experienced fundraiser taking over. By professionalising fundraising, and bringing in house a Chartered Accountant as CFO the charity is well placed to make the most from Covid recovery.

Commercial activity: Primary purpose trading through the automotive livery work has made a significant contribution to the charity's bottom line as well as reputation. Work for a world renowned manufacturer saw beneficiaries working in teams in Munich; learning new skills, finding employment and returning significant value to the charity. A full time professional livery manager has been appointed to develop this work with a strong business development forecast in place.

Vocational programmes: Programmes under the banner 'Mission Automotive' continue to grow. The logic of a sector initiative, linked to the industry body, SMMT (Society of Motor Manufacturers and Traders), delivering support to companies exploring armed forces engagement and developing supportive veteran communities has proved effective, and powerful. At the request of the Ministry of Defence, we moved into a conjoined sector – 'renewables' has shown a very real opportunity for new, relevant careers in a fast growing area.

Financial position

During the year the charity generated income of £725,299, an increase of £141,060 compared to the previous year. Expenditure for the year also increased to £801,343 from £678,909 in the previous year resulting in an overall deficit of £75,945 compared to a deficit of £94,643 in the previous year, so a slight improvement. This result led to a net liabilities position of £16,027. However, when the assets held by the charity's two wholly owned subsidiaries are included the charity still shows a positive overall reserves position at the end of the year.

Strategic Aims

The Mission Motorsport strategy is to: be a force for good in MoD recovery sport, to offer training insight and provision to those in transition and those in need, and to drive the development of pathways into relevant, sustainable employment for service leavers, veterans, and their families.

The long-term financial security of the charity remains paramount, and this is currently being shaped by several ambitious projects:

- The growth and long-term sustainability of the Mission Automotive initiative with car manufacturers and the wide automotive industry
- The development and funding of the Armed Forces Engagement Model
- Increased commercial activity through automotive livery activities and other chargeable services
- Consideration of the feasibility of bringing all activities together within one 'Mission Group'

Risks

The Trustees have assessed the major risks to which the charity is exposed. They are briefed at regular Trustee meetings and are satisfied that systems are in place to mitigate exposure to major risks. One of the newly appointed Trustees is an expert in risk and compliance matters and is taking the lead in ensuring the board is aware of all relevant matters. Significant risks and appropriate measures to be taken include:

- Loss of major funding partners – Significant uplift in fundraising activity across a broader base, full time fundraiser employed, increase in commercial activity and increased focus on income generation across all relevant activities.
- Injury to a beneficiary – Detailed risk assessment for every activity and event. Annual staff and volunteer training. Frequent engagement with occupational therapy professionals.
- Loss of key Mission Motorsport personnel – Staff training to ensure ability to step up and mitigate potential for single points of failure to arise.
- The Charity reviews annually all insurance cover to ensure that it meets its needs at all times

MISSION MOTORSPORT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

Fundraising

Mission Motorsport receives voluntary donations, gifts from individuals and corporate donors, alongside grants from other grant giving charities and amounts raised via key events held during the year. Mission Motorsport is registered with the Fundraising Regulator and adheres to their Code of Fundraising Practice as well as following the Charity Commission advice on best practice. All personal data is processed in line with the General Data Protection Regulations and Data Protection Act 2018. Mission Motorsport will only process data of supporters and donors if they have given their opt-in consent.

Mission Motorsport organise all its fundraising internally and does not engage third parties to seek donations from individuals. The board is mindful of people's privacy and do not exert undue pressure on potential donors. There have been no complaints about the fundraising methods.

Reserves Policy

Whilst it remains the Charity's aim that unrestricted funds which have not been designated for a specific use should ideally be maintained at a level equivalent to 6 months expenditure, this has not proven possible in recent years in difficult economic circumstances where our focus has had to have been on the continued provision of core charitable activities. Reserves have reduced during this period.

Whilst it is anticipated that gradual accumulation of reserves is possible while being grant funded, it is the commercial and other larger scale planned projects that the Trustees consider will show the most promising path to lift reserves back towards the level to which the Charity aspires.

Increased focus on income generation across all areas of activity in addition to current activity is key in achieving this goal.

At the end of the year the charity had net liabilities of £16,027, a result of the shortfall of £75,945 in the year. However, when the assets held by the Charity's 2 wholly owned subsidiaries are included the Charity still shows a positive overall reserves position at the end of the year.

Future Plans

Mission Motorsport has set clear financial targets to its staff in striving to deliver against its charitable objectives including:

- To diversify income streams to secure the continued growth and support provided by the Charity to its beneficiaries with particular focus on new revenue generating opportunities
- To pursue a strategy which permits and facilitates the establishment of meaningful reserves over the medium to long term.

Whilst presenting slightly different challenges to 20/21 the year under review to 28 February 2022 was a difficult one with resources again being stretched in order to deliver the increased output made possible as we came out of the worst of the pandemic and lockdowns.

The Charity retains a strategy based around five core income generating activities:

- Charity fundraising through application to grant giving organisations, the promotion of individual fundraising efforts, online donations, legacies and high net worth donations.
- Mission Motorsport events – the charity continues to aim that all events are at the very least cost neutral with a guiding principle of a 3:1 benefit vs cost applied to guide the decision making. There was a significantly increased focus on income generation across all activities during the year.
- Mission Automotive is a commercial national automotive industry focused Armed Forces Engagement initiative which generates revenue. Other external revenue generating consultancy activity is being undertaken and is now set to increase.
- Training output in delivering course income generated from Motorsport and Automotive industry training schemes
- Mission Motorsport trading activities – merchandising and vehicle livery. The Charity now employs a full time vehicle wrapping suite manager and has secured contracts with a number of very significant vehicle manufacturers. This activity is undertaken by the Charity's trading subsidiary Mission Motorsport Trading Limited with all profits generated for the benefit of the Charity.

MISSION MOTORSPORT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

Going concern

The financial statements have been prepared on a going concern basis. As per the accounting policy of the Charity the Trustees have considered all relevant information, including the annual budget, forecast future cashflows and income scenarios until the end of December 2023 together with the impact of subsequent events in making their assessment. The Charity has at all times been able to meet its liabilities as they fall due supported by the income generated by the Charity's two wholly owned trading subsidiaries

The Trustees have performed a robust analysis of future cashflows, taking into account the potential impacts of external events, including consideration of the effectiveness of available measures to assist in mitigating the impact. Based on these assessments and having regard to the resources available to the entity and the support from the Charity's trading subsidiaries the trustees have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

Structure, governance and management

The charity is controlled by its governing document, a Deed of Trust, and is constituted as a limited company, limited by guarantee, as defined by the Companies Act 2006.

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

Mr A D Compson	
Ms A J Abbott	(Resigned 15 June 2022)
Rev A J Feltham-White	(Resigned 15 June 2022)
Lieutenant Colonel C L Coton	(Resigned 6 October 2022)
Mr I M Comerford	(Appointed 18 March 2021 and resigned 27 May 2022)
Lieutenant General R E Nugee	(Appointed 15 June 2022)
Mr M Cornelius	(Appointed 15 June 2022)
Mr M P J Garside	(Appointed 2 September 2022)
Mr J B Baguley	(Appointed 2 September 2022)
Lieutenant Commander C Chew	(Appointed 3 September 2022)
Mr C J Tate	(Appointed 2 September 2022)

The board of Trustees are responsible for appointing all Trustees. The Charity is currently governed by a board of seven Trustees who are committed to the objects of the charity.

None of the Trustees have any beneficial interest in the company. All of the Trustees are either current members of the company or are in the process of becoming members and will guarantee to contribute £1 each in the event of a winding up.

An induction programme is in place for new Trustees.

Auditor

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


Disclosure of information to auditor

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

MISSION MOTORSPORT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2022

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

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Mr A D Compson
Trustee 11/29/2022
Dated:

DocuSigned by:

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Mr C J Tate
Trustee 11/29/2022
Dated:.....

MISSION MOTORSPORT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 28 FEBRUARY 2022

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

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

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

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

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

MISSION MOTORSPORT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MISSION MOTORSPORT

Opinion

We have audited the financial statements of Mission Motorsport (the 'charity') for the year ended 28 February 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

MISSION MOTORSPORT

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MISSION MOTORSPORT

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations;
- Obtaining an understanding of the charity's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the charity and our sector-specific experience.

MISSION MOTORSPORT

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MISSION MOTORSPORT

As a result of these procedures, we considered the opportunities and incentives that may exist within the charity for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified the following areas as those most likely to have an impact on the financial statements: health & safety, employment law and compliance with the UK Companies Act.

In addition to the above, our procedures to respond to risks identified included the following:

- Making enquiries of management and those charged with governance about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of the board and senior management.
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Robin Evans

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Robin Evans BA FCA CTA (Senior Statutory Auditor)
for and on behalf of Carpenter Box
Chartered Accountants
Statutory Auditor
Worthing

11/29/2022

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Carpenter Box is a trading name of Carpenter Box Limited

MISSION MOTORSPORT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	468,171	177,500	645,671	437,827	70,000	507,827
Charitable activities	4	14,115	-	14,115	888	-	888
Other trading activities	5	65,511	-	65,511	75,519	-	75,519
Investments		2	-	2	5	-	5
Total income		547,799	177,500	725,299	514,239	70,000	584,239
Expenditure on:							
Raising funds	6	16,904	-	16,904	13,869	-	13,869
Charitable activities	7	627,090	155,770	782,860	445,033	219,231	664,264
Other	10	1,579	-	1,579	776	-	776
Total resources expended		645,573	155,770	801,343	459,678	219,231	678,909
Gross transfers between funds		-	-	-	(32,679)	32,679	-
Net (outgoing)/incoming resources		(97,774)	21,730	(76,044)	21,882	(116,552)	(94,670)
Other recognised gains and losses							
Other gains or losses		99	-	99	27	-	27
Net movement in funds		(97,675)	21,730	(75,945)	21,909	(116,552)	(94,643)
Fund balances at 1 March 2021		59,086	832	59,918	37,177	117,384	154,561
Fund balances at 28 February 2022		(38,589)	22,562	(16,027)	59,086	832	59,918

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

All income and expenditure derive from continuing activities.

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

MISSION MOTORSPORT

BALANCE SHEET

AS AT 28 FEBRUARY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		76,162		110,629
Investments	13		200		200
			<u>76,362</u>		<u>110,829</u>
Current assets					
Stocks	14	8,477		9,776	
Debtors	15	10,025		24,798	
Cash at bank and in hand		59,062		109,088	
		<u>77,564</u>		<u>143,662</u>	
Creditors: amounts falling due within one year	17	(134,120)		(148,740)	
Net current liabilities			<u>(56,556)</u>		<u>(5,078)</u>
Total assets less current liabilities			19,806		105,751
Creditors: amounts falling due after more than one year	18		(35,833)		(45,833)
Net (liabilities)/assets			<u>(16,027)</u>		<u>59,918</u>
Income funds					
Restricted funds	20		22,562		832
Unrestricted funds			(38,589)		59,086
			<u>(16,027)</u>		<u>59,918</u>

11/29/2022

The financial statements were approved by the Trustees on

DocuSigned by:

Tony Compson

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Mr A D Compson

Trustee

DocuSigned by:

Christopher Tate

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Mr C J Tate

Trustee

Company Registration No. 07862605

MISSION MOTORSPORT**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 28 FEBRUARY 2022**

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(48,325)		39,199
Investing activities					
Purchase of tangible fixed assets		(1,058)		(4,038)	
Proceeds on disposal of tangible fixed assets		3,522		4,971	
Investment income received		2		5	
Net cash generated from investing activities			2,466		938
Financing activities					
Proceeds of new bank loans		-		50,000	
Repayment of bank loans		(4,167)		-	
Net cash (used in)/generated from financing activities			(4,167)		50,000
Net (decrease)/increase in cash and cash equivalents			(50,026)		90,137
Cash and cash equivalents at beginning of year			109,088		18,951
Cash and cash equivalents at end of year			59,062		109,088

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

1 Accounting policies

Charity information

Mission Motorsport are a charity whose aim is to aid in the recovery and rehabilitation of those affected by military operations, by providing opportunities through motorsport.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document and a deed of trust, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The 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 £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The charity was incorporated and is registered in England and Wales, is a company limited by guarantee and has no share capital.

The charity is parent of a small group and therefore consolidated accounts have not been prepared.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered the relevant information, including the annual budget, forecast future cashflows until the end of December 2023 and the impact of subsequent events in making their assessment. The charity has at all times been able to meet its liabilities as they fall due supported by the income generated by the charity's two wholly owned trading subsidiaries. The aftermath of the COVID-19 pandemic together with its economic impact coupled with the current economic environment has had a significant impact on the charities operations, in particular the changing and challenging nature of fundraising. Whilst the war in Ukraine has heightened public awareness of military issues this is not directly beneficial to the charity and indeed puts a further call on already limited available funding. However, the trustees have performed a robust analysis of future cashflows, taking into account these potential impacts, including consideration of the effectiveness of available measures to assist in mitigating the impact.

Based on these in depth assessments and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used.

1.4 Incoming resources

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

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that these conditions will be fulfilled in the reporting period. Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year.

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2022

1 Accounting policies (Continued)

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

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

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

Plant and equipment	33.33% per annum on cost
Fixtures and fittings	10% to 33.33% per annum on cost
Computers	33.33% per annum on cost
Motor vehicles	25% per annum on reducing balance / 20% per annum straight line

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

1.7 Fixed asset investments

Fixed asset investments are measured at transaction price excluding transaction costs.

1.8 Impairment of fixed assets

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

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.11 Financial instruments

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

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

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

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.12 Government Grants

Government grants relate to amounts received under the Coronavirus Job Retention Scheme ("CJRS") and are recognised in the period to which they relate.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	429,115	177,500	606,615	337,039	70,000	407,039
Grants	39,056	-	39,056	100,788	-	100,788
	<u>468,171</u>	<u>177,500</u>	<u>645,671</u>	<u>437,827</u>	<u>70,000</u>	<u>507,827</u>

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

4 Charitable activities

	Merchandise income 2022 £	Fundraising events 2021 £	Merchandise income 2021 £	Total 2021 £
Sales within charitable activities	14,115	(500)	1,388	888

All income from charitable activities is unrestricted in the current and comparative periods.

5 Other trading activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Recharge of staff costs	65,511	75,519

6 Raising funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Fundraising and publicity</u>		
Advertising	3,804	585
Other fundraising costs	13,100	13,284
Fundraising and publicity	16,904	13,869
	16,904	13,869

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

7 Charitable activities

	Other costs	Support costs	Total	Other costs	Support costs	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Audit fees		7,450	7,450		6,965	6,965
Other fees paid to auditor	-	20,424	20,424	-	13,859	13,859
Administration costs	-	22,727	22,727	-	10,254	10,254
Delivery costs	155,770	509,034	664,804	219,231	365,679	584,910
Building overheads	-	67,455	67,455	-	48,276	48,276
	155,770	627,090	782,860	219,231	445,033	664,264
	155,770	627,090	782,860	219,231	445,033	664,264
Analysis by fund						
Unrestricted funds	-	627,090	627,090	-	445,033	445,033
Restricted funds	155,770	-	155,770	219,231	-	219,231
	155,770	627,090	782,860	219,231	445,033	664,264

8 Trustees

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

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Management	3	3
Administration	3	2
Vocational	6	4
Workshop	2	2
Livery	-	1
	<u>14</u>	<u>12</u>

Employment costs

	2022 £	2021 £
Wages and salaries	446,040	410,959
Social security costs	41,834	39,951
Other pension costs	9,886	9,151
	<u>497,760</u>	<u>460,061</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2022 Number	2021 Number
£60,000 - £70,000	-	1
£70,001 - £80,000	1	-
	<u>1</u>	<u>-</u>

10 Other

	2022 £	2021 £
Net loss on disposal of tangible fixed assets	1,579	776
	<u>1,579</u>	<u>776</u>

11 Non exchange transactions

There were no donations in kind made to the charity within the current year. In the prior year the charity was provided a track day free of charge with a market value of approximately £8,000, as well as two motor vehicles with an aggregate value of £10,500.

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2022

12 Tangible fixed assets

	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 March 2021	16,852	25,944	9,330	274,012	326,138
Additions	-	-	1,058	-	1,058
Disposals	-	-	-	(22,772)	(22,772)
At 28 February 2022	16,852	25,944	10,388	251,240	304,424
Depreciation and impairment					
At 1 March 2021	14,176	25,466	9,220	166,647	215,509
Depreciation charged in the year	1,314	466	375	28,269	30,424
Eliminated in respect of disposals	-	-	-	(17,671)	(17,671)
At 28 February 2022	15,490	25,932	9,595	177,245	228,262
Carrying amount					
At 28 February 2022	1,362	12	793	73,995	76,162
At 28 February 2021	2,676	478	110	107,365	110,629

13 Fixed asset investments

	Other investments
Cost or valuation	
At 1 March 2021 & 28 February 2022	200
Carrying amount	
At 28 February 2022	200
At 28 February 2021	200

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	23	200	200

14 Stocks

	2022 £	2021 £
Finished goods and goods for resale	8,477	9,776

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

15 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	1,484	997
Amounts owed by subsidiary undertakings	6,549	-
Other debtors	591	17,802
Prepayments and accrued income	1,401	5,999
	<u>10,025</u>	<u>24,798</u>

16 Loans and overdrafts

	2022 £	2021 £
Bank loans	<u>45,833</u>	<u>50,000</u>
Payable within one year	10,000	4,167
Payable after one year	<u>35,833</u>	<u>45,833</u>

The bank loan is 100% guaranteed by the government.

The loan carries a fixed interest rate of 2.5% per annum and is payable over 6 years from the date of receipt.

17 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	16	10,000	4,167
Other taxation and social security		33,817	26,187
Deferred income	19	66,403	3,000
Trade creditors		3,619	38,938
Amounts owed to subsidiary undertakings		-	68,490
Other creditors		3,925	185
Accruals		16,356	7,773
		<u>134,120</u>	<u>148,740</u>

18 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	16	<u>35,833</u>	<u>45,833</u>

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

19 Deferred income

	2022 £	2021 £
Other deferred income	66,403	3,000

Deferred income relates to income received pre-year end for training courses and track days which will happen in the coming year.

There was £3,000 of deferred income brought forward, which was released in the year and £66,403 deferred during the current year.

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 March 2021 £	Movement in funds		Balance at 28 February 2022 £
		Incoming resources £	Resources expended £	
Occupational Therapy Support	832	-	-	832
Barclays Grant	-	25,000	(8,770)	16,230
ABF - The Army's National Charity	-	20,000	(20,000)	-
Armed Forces Covenant Fund Trust VPPP - Midlands	-	17,500	(12,000)	5,500
Armed Forces Covenant Fund Trust - Woodland Experiences	-	35,000	(35,000)	-
Armed Forces Covenant Fund Trust - Three Sisters	-	35,000	(35,000)	-
Armed Forces Covenant Fund Trust - Recovery Sport	-	35,000	(35,000)	-
Greenwich Hospital	-	10,000	(10,000)	-
	832	177,500	(155,770)	22,562

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2022

20 Restricted funds

(Continued)

Occupational Therapy Support – to provide direct support for the purchase of OT equipment and to cover expenses for OT volunteers working in direct support of MM beneficiaries.

Barclays – Providing funding to work with Mission Motorsport to support the Mission Motorsport Training Wing and provide all the tools required to make service leavers' studies a success.

ABF The Soldiers' Charity – Provides grants to service charities to support those in or who have left the British Army. ABF provided £20,000 of funding to cover three elements of the charity, Race – Retrain – Recover, for Army beneficiaries.

Armed Forces Covenant Fund Trust – Veterans, Places, Pathways and People (VPPP) Midlands – One of 10 funded portfolio projects across the UK. The Midlands portfolio is managed by DMWS, 'Joining the dots' Midlands Veterans wellbeing alliance. Each portfolio works regionally to develop better, more joined up lasting support for local veterans with mental health needs.

Armed Forces Covenant Fund Trust - Woodland Experiences - The project will provide over 250 individual opportunities annually for veterans to attend a veteran-led, purpose designed 24hr outdoor experience in the North West of England. Delivered by partner Woodland Experiences, the project provides a welcome break for hard to reach veterans and their families creating memories and developing skills

Armed Forces Covenant Fund Trust - Three Sisters - This group will run activities at Three sisters circuit, created by Wigan Council and used for karting, biking and cars. The events offered by the group will draw veterans into sport and offer a 'level playing field' for disabled and able-bodied veterans. Sessions will include car control, a track experience and driver training.

Armed Forces Covenant Fund Trust - Recovery Sport - The group will offer outdoor, inclusive activities including visits to Goodwood, Silverstone, Anglesey & Thruxton, car control sessions, 4x4 experiences and driver training. Each activity is designed to be inspirational and inclusive, building confidence and friendships and being veteran led.

Greenwich Hospital – Provides grants to service charities to support those in or who have left the Royal Navy. Greenwich Hospital provided a grant for delivery of sport, training and vocational activities to Navy beneficiaries.

Unrestricted funds – funds obtained by the charity that do not have a limitation on use or that are not specified for a particular use by the donor or grant giving organisation.

21 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 28 February 2022 are represented by:						
Tangible assets	76,162	-	76,162	110,629	-	110,629
Investments	200	-	200	200	-	200
Current assets/(liabilities)	(79,118)	22,562	(56,556)	(5,910)	832	(5,078)
Long term liabilities	(35,833)	-	(35,833)	(45,833)	-	(45,833)
	<u>(38,589)</u>	<u>22,562</u>	<u>(16,027)</u>	<u>59,086</u>	<u>832</u>	<u>59,918</u>

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	144,328	119,768

Transactions with related parties

Mission Consulting Services Limited (MCS)

Trading subsidiary

- The company paid Mission Motorsport £49,000 (2021: £26,916) in charitable donations, and £55,827 (2021: £75,519) in respect of management charges.

At 28 February 2022 the following balances are included within the financial statements:

- Trade debtor balance of £3,773 (2021: £nil) due to the charity from MCS
- Trade creditor balance of £nil (2021: £50,139) due from the charity to MCS.

Mission Motorsport Trading Limited (MMT)

Trading subsidiary

- The company paid Mission Motorsport £9,684 (2021: £nil) in respect of management charges, and £15,819 (2021: £nil) in respect of staff cost recharges.
- The company made charitable donations of £nil (2021: £5,000) to the charity

At 28 February 2022 the following balances are included within the financial statements

- Trade debtor balance of £2,776 (2021: £nil) due to the company from MMT
- Trade creditor balance of £nil (2021: £18,351) due from the charity to MMT.

MISSION MOTORSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2022

23 Subsidiaries

These financial statements are separate charity financial statements for Mission Motorsport.

Details of the charity's subsidiaries at 28 February 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Mission Motorsport Trading Limited	England	Vinyl wrapping	Ordinary	100.00	
Mission Consulting Services Limited	England	Employment services for veterans	Ordinary	100.00	

24 Analysis of changes in net funds

	At 1 March 2021	Cash flows	At 28 February 2022
	£	£	£
Cash at bank and in hand	109,088	(50,026)	59,062
Loans falling due within one year	(4,167)	(5,833)	(10,000)
Loans falling due after more than one year	(45,833)	10,000	(35,833)
	<u>59,088</u>	<u>(45,859)</u>	<u>13,229</u>

25 Cash generated from operations

	2022 £	2021 £
Deficit for the year	(76,044)	(94,670)
Adjustments for:		
Investment income recognised in statement of financial activities	(2)	(5)
Foreign exchange differences	99	27
Loss on disposal of tangible fixed assets	1,579	776
Donations of fixed assets	-	(10,500)
Depreciation and impairment of tangible fixed assets	30,424	44,230
Movements in working capital:		
Decrease/(increase) in stocks	1,299	(2,255)
Decrease in debtors	14,773	100,126
(Decrease) in creditors	(83,856)	(1,530)
Increase in deferred income	63,403	3,000
Cash (absorbed by)/generated from operations	<u>(48,325)</u>	<u>39,199</u>