

CHARITY REGISTERED NUMBER:1158286

NATIONAL SPITFIRE PROJECT

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST OCTOBER 2022

JANE FEREDAY LTD  
ACCOUNTANTS  
NURSERY COTTAGE  
BECKLEY  
HINTON  
CHRISTCHURCH  
DORSET  
BH23 7ED

NATIONAL SPITFIRE PROJECT  
LEGAL AND ADMINISTRATIVE INFORMATION

Registered Charity Number: 1158286

Chairman: John Hannides

Treasurer: Geoffrey Walker

Trustees: John Hannides (Chairman)  
Jamie Barrett  
Paul Beaver (appointed 20th September 2022)  
Grant Harrison  
Paul Lester  
Royston Smith  
Geoffrey Walker (Treasurer)

Registered Office: 18 Bassett Wood Drive  
SOUTHAMPTON  
SO16 3PT

Accountants: Jane Fereday Ltd  
Accountants  
Nursery Cottage  
Beckley  
Hinton  
Christchurch  
Dorset  
BH23 7ED

Bankers: National Westminster Bank Plc  
68 Above Bar Street  
Southampton  
SO14 2DS

NATIONAL SPITFIRE PROJECT  
FOR THE YEAR ENDED 31ST OCTOBER 2022

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## NATIONAL SPITFIRE PROJECT

### TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST OCTOBER 2022

The Trustees present their report and the financial statements of the charity for the year ended 31st October 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

#### Structure, Governance and Management

##### Organisation

The charity was set up in accordance with the Charity Commission's advice and guidance. The National Spitfire Project was incorporated as a Charitable Incorporated Organisation (CIO) on the 19th August 2014, and prepared its eighth set of accounts for the year ended 31st October 2022. As set out in the Constitution, nominated trustees must be approved by a formal board meeting. Appointed trustees must stand for re-election every 3 years. From year 3, one third of the trustees will resign each year at the AGM of the charity (based on a rota-system) but can stand again for re-election at the same meeting. When looking for new trustees to nominate, the trustee board undertakes a skills audit to highlight the areas desired by the charity and those currently lacking or under-represented.

##### Related parties

None of the trustees has any beneficial interest in the charity. All of the trustees are members of the charity but have no liability to contribute to its assets and no personal responsibility for settling its debts or liabilities. There were no related party transactions during the year under review in these accounts.

##### Risk policy

Whilst the £500,000 committed from HM Government provides a high degree of financial confidence for the year ahead, the risk remains that if additional new donations are not received during this period, it could cause the project to stall or be delayed. This is mitigated by the appointment of an experienced professional fundraiser and the appointment of a Trustee as the Chair of the Development Committee who is very well connected. The prospect of failing to attract new donations is further mitigated by the anticipated commencement of the Detailed Technical Design work during the financial year 22/23, which is an important factor in 'de-risking' the project and, therefore, making it more attractive for prospective donors. The risk of high inflation impacting the cost of the materials and Labour required to construct the monument, could potentially raise the total cost envelope of the project. This is mitigated by the significant contingency provision already included in the cost estimates.

##### Objectives and activities

The objectives for which the charity is established are to advance the education of the public in the history of the design and development of the Spitfire aircraft and its role in the Second World War including, but without limitation, the erection and maintenance of a memorial to the Spitfire and its designer R J Mitchell in the City of Southampton.

## NATIONAL SPITFIRE PROJECT

### TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31ST OCTOBER 2022

#### Achievements and performance

Initial planning approval was given by Southampton City Council (SCC) to develop the site for the monument in Mayflower Park. The monument has been accepted as a key component in the improvement of Southampton's Waterfront at Mayflower Park. The Spitfire monument will proceed as a standalone project in conjunction with other structural improvements proposed by the Council. However, the need to incorporate phasing with developers is no longer applicable.

Initial groundwork, costing and feasibility were completed regarding the design and location of the monument. Southampton University provided advice on the design and recommended a number of cost effective changes to utilize the latest technological advances to ensure that the monument withstood severe weather conditions and was more easily maintained. As a standalone construction the monument can be built separate to the works required for any future Waterfront development and, subject to funding, will proceed independently. Southampton City Council and the Trustees of the National Spitfire Project are in discussion regarding the agreement of the Heads of Terms for the approved site.

#### Financial review

Whilst the previous year saw a very low level of activity, principally caused by the Coronavirus Pandemic, the financial year ending 31st October 2022, saw a higher level of activity. The income from donations recorded for the financial year was £2,610 (in 2021 it was £2,000). The charity also received grant funding of £75,200 (2021: £Nil) from Southampton City Council. Compensation of £400 (2021: £Nil) was received from the charity's bankers. The total income of the charity in the year ended 31 October 2022 was £78,210 (2021: £2,000). The total expenditure incurred of £58,157 (2021: £1,923) was primarily for Project Management - £30,131 (2021: £Nil), Fundraising - £19,404 (2021: £Nil), Marketing services and website maintenance - £6,445 (2021: £1,923).

The Trustees believe that the project is a going concern, especially with matched funding from the Government and funding from Southampton City Council. The Government announced in the April Budget 2020, it has allocated match funding up to £3m for the project, thanks to the support of the Southampton Itchen MP. This support has been re-affirmed following the impact on progress caused by the pandemic. In July 2021, the Council approved revenue funding of £150k to support on-going Project Management, marketing and feasibility work. An additional £350k was approved by the Council for capital works in the construction phase of the project. With the plans for the spectacular Spitfire monument in place and the continued support of the Government, Southampton City Council and local MP, the Trustees are convinced that their vision will be achieved. Southampton City Council has continued to release the grant in stages. In March 2023, the Government confirmed it will convert part of the match-funding allocation in to a grant of £500k. This provides sufficient funding to significantly move the project forward, in particular, with regards the detailed technical design work.

The Trustees wish to acknowledge the tremendous support they received during this reporting period from many companies and organisations, in particular Blake Morgan Solicitors LLP, KPMG LLP, Southampton University and Southampton City Council.

# NATIONAL SPITFIRE PROJECT

## TRUSTEES' ANNUAL REPORT (Continued)

### FOR THE YEAR ENDED 31ST OCTOBER 2022

#### Reserves policy

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to a minimum of approximately three months of unrestricted charitable expenditure. The Trustees consider that this level will provide sufficient funds to ensure that support and governance costs are covered. The balance held as unrestricted funds at 31 October 2022 was £2,431 (2021: £914). During the year ended 31 October 2022 income to unrestricted funds was £3,010 (2021: £2,000) and unrestricted charitable expenditure was £1,493 (2021: £1,923).

The charity received restricted grant funding during the year ended 31 October 2022 of £75,200 from Southampton City Council. The Trustees meet regularly with representatives of Southampton City Council to report on how the funds have been used. The balance held as restricted funds at 31 October 2022 was £18,536. During the year ended 31 October 2022 income to restricted funds was £75,200 (2021: £Nil) and restricted fund expenditure was £56,664 (2021: £Nil).

#### Funds held as Custodian Trustee

The charity does not have any custodian trustee arrangements.

## NATIONAL SPITFIRE PROJECT

### TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31ST OCTOBER 2022

#### Plans for future periods

The National Spitfire Project has chosen a design concept, identified a location in Southampton and achieved planning permission from Southampton City Council for a monument that celebrates the iconic Spitfire to be installed on the waterfront in the City Centre. Following official endorsement from the Government and Southampton City Council, the charity is looking to progress with the detailed technical design work and move into the next stage of fundraising to fund the construction and delivery of the monument. Key among the objectives of the project is to build the Monument as a place to reflect, educate and inspire future generations, it is intended, therefore, to identify key audiences at a local, regional and national level. Ranging from smaller groups, schools and clubs, to large businesses who would benefit from being made aware of and supporting the project's goals. We would seek to strengthen and develop engagement with groups and museums, locally and nationally, who share the passion for the Spitfire to target their audience and benefactors and explore how we can build greater relationships. Examples include: The Spitfire Society, Biggin Hill Heritage Hangar, The Spitfire Tribute Squadron, The Hangar 11 Collection, Fleet Air Arm Museum, Solent Sky Museum, Battle of Britain Memorial Flight, and Aviation Heritage UK.

There will be a focus on raising local awareness of the project to educate the local community and businesses on the significance of the location, Southampton as the true home of the Spitfire. Raise local awareness of the economic benefits of the monument to the region including increased visitor numbers, regeneration of the waterfront. Raise national awareness of the project to draw attention to the national significance of the Spitfire and importance of remembering the iconic aircraft and the people who designed, flew and maintained it.

Southampton is a hive of activity, regularly celebrating its past whilst looking forward to exciting plans for economic growth. Southampton City Council are also undertaking regeneration projects across the city which puts the spotlight on the Council and the city's progress. These activities give the National Spitfire Project an additional outlet to draw attention and raise awareness of the economic benefits and how it will play a key part in the regeneration of the waterfront.

NATIONAL SPITFIRE PROJECT

TRUSTEES' ANNUAL REPORT (Continued)

FOR THE YEAR ENDED 31ST OCTOBER 2022

**Accounting and reporting responsibilities**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each 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, of the charity for that period. In preparing the financial statements, the trustees are required to:

- \* select suitable accounting policies and then apply them consistently;
- \* observe the methods and principles in the applicable Charities SORP;
- \* make judgements and estimates that are reasonable and prudent;
- \* state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- \* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom.

Approved by the trustees on 01.06.23 .



J Hannides  
Trustee



INDEPENDENT EXAMINER'S REPORT  
TO THE TRUSTEES OF NATIONAL SPITFIRE PROJECT  
FOR THE YEAR ENDED 31ST OCTOBER 2022

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st October 2022 which are set out on pages 7 to 14.

**Responsibilities and basis of report**

As the charity trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the Act.

**Independent examiner's statement**

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

- 1) accounting records, with respect to the Trust, were not kept as required by section 130 of the 2011 Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4) the 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)].

  
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Jane Fereday Ltd  
Accountants  
Nursery Cottage  
Beckley  
Hinton  
Christchurch  
Dorset  
BH23 7ED

Dated:

# NATIONAL SPITFIRE PROJECT

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST OCTOBER 2022

	Unrest'd Funds £	Rest'd Income Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Income and endowments from:</b>				
Donations and Legacies	2,610	75,200	77,810	2,000
Other income	400	0	400	0
<b>Total income and endowments</b>	<u>3,010</u>	<u>75,200</u>	<u>78,210</u>	<u>2,000</u>
<b>Expenditure on:</b>				
Raising funds	75	19,329	19,404	0
Charitable activities	918	37,335	38,253	1,923
Other	500	0	500	0
<b>Total resources expended</b>	<u>1,493</u>	<u>56,664</u>	<u>58,157</u>	<u>1,923</u>
<b>Net movement in funds</b>	1,517	18,536	20,053	77
<b>Total funds brought forward</b>	£ 914	£ 0	£ 914	837
<b>Total funds carried forward</b>	<u>£ 2,431</u>	<u>£18,536</u>	<u>£20,967</u>	<u>£ 914</u>

All income and expenditure derive from continuing activities.

NATIONAL SPITFIRE PROJECT  
STATEMENT OF FINANCIAL ACTIVITIES  
DETAILED ANALYSIS OF MOVEMENTS IN FUNDS  
FOR THE YEAR ENDED 31ST OCTOBER 2022

	2022		2021	
	£	£	£	£
<b>General Fund</b>				
Surplus for the year	1,517		77	
		1,517		77
<b>- Unrestricted fund 1 -</b>				
Opening balance	914		837	
		914		837
<b>Restricted Funds</b>				
Grant Income	75,200		0	
Costs of generating funds	(19,329)		0	
Activities in furtherance of obje	(37,335)		0	
		18,536		0
<b>Total funds at 31st October 2022</b>		<b>£20,967</b>		<b>£ 914</b>

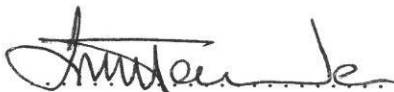
NATIONAL SPITFIRE PROJECT

BALANCE SHEET

AT 31ST OCTOBER 2022

	Note	2022	2021
		£	£
<b>Current assets</b>			
Debtors	6	633	384
Bank Accounts		24,832	530
		<u>25,465</u>	<u>914</u>
<b>Creditors</b>			
Amounts falling due within one year	7	4,498	0
<b>Net current assets</b>		<u>20,967</u>	<u>914</u>
<b>Total assets less current liabilities</b>		<u>20,967</u>	<u>914</u>
<b>Net assets</b>		<u>£20,967</u>	<u>£ 914</u>
<b>Capital funds</b>			
Restricted funds		18,536	0
Unrestricted funds		<u>2,431</u>	<u>914</u>
<b>Total funds</b>		<u>£20,967</u>	<u>£ 914</u>

Approved by the trustees on 01.06.23

  
J Hannides

The annexed notes form part of these financial statements.

## NATIONAL SPITFIRE PROJECT

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST OCTOBER 2022

#### 1. Accounting policies

The organisation is a registered charity.

The accounts (financial statements) have been prepared under the historical convention and in accordance with Statement of Recommended Practice cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The particular policies adopted by the Trustees are described below and have been applied consistently to all periods presented in these financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed below.

#### Incoming resources

Donation income is recognised in the year in which the charity is entitled to receipt, and when the amount can be recognised with reasonable certainty. Gift in kind income and expenditure is recognized when the service is received.

## **NATIONAL SPITFIRE PROJECT**

### **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31ST OCTOBER 2022**

#### **Resources expended**

Resources expended are included in the statement of financial activities on an accruals basis, exclusive of VAT which can be recovered.

The costs of generating funds consist mainly of the costs of utilising the services of a professional fundraiser, and the costs of utilising the Just Giving donations platform.

Costs of charitable activities include grants made, governance costs and support costs as explained in note 10.

#### **Fund accounting**

Funds held by the charity are divided between unrestricted and restricted general funds. The unrestricted funds can be used, in accordance with charitable objectives, at the discretions of the trustees. The restricted funds must be used in accordance with the wishes of the donor.

#### **Grants received**

Grants are recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

#### **Going Concern**

The existing funds of the charity, together with funds that have been pledged, are sufficient such that the Charity can meet its expenses as they fall due. Therefore the financial statements have been prepared on a going concern basis.

#### **Cash and cash equivalents**

Cash and cash equivalents comprises cash in hand and deposits repayable on demand.

#### **Taxation**

The charity is a registered charity and has no liability to corporation tax on its charitable activities.

#### **Contingent Asset**

A contingent asset is recognised and disclosed for grant funding that: - arises from past events and; - was not formally committed to in writing at 31 October 2022.

NATIONAL SPITFIRE PROJECT

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST OCTOBER 2022

2. Income

	Unrest'd Funds 2022 £	Rest'd Income Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>Donations and legacies</b>				
Donations, legacies and similar	2,610	0	2,610	2,000
Grant Income	0	75,200	75,200	0
	<u>2,610</u>	<u>75,200</u>	<u>77,810</u>	<u>2,000</u>
<b>Other income</b>				
Compensation from bank	400	0	400	0
	<u>400</u>	<u>0</u>	<u>400</u>	<u>0</u>

3. Expenditure on raising funds

	2022 £	2022 £	2021 £
Fundraising	75		0
Costs of generating funds	19,329		0
		<u>19,404</u>	<u>0</u>

4. Expenditure on charitable activities

	2022 £	2022 £	2021 £
Marketing	918		1,923
Activities in furtherance of objects	37,335		0
		<u>38,253</u>	<u>1,923</u>

5. Other costs

	2022 £	2022 £	2021 £
Accounts - Independent Examination	500		0
		<u>500</u>	<u>0</u>

# NATIONAL SPITFIRE PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST OCTOBER 2022

### 6. Debtors and prepayments

Amounts falling due within one year:

	2022	2021
	£	£
Prepayments and Accrued Income	195	0
Taxation	438	384
	<u>£633</u>	<u>£384</u>

### 7. Creditors

Amounts falling due within one year:-

	2022	2021
	£	£
Sundry Creditors	3,998	0
Accrued Expenses	500	0
	<u>£ 4,498</u>	<u>£ 0</u>

### 8. Financial Instruments

The company had the following financial instruments:

	2022	2021
	£	£
Financial assets that are debt instruments measured at amortised cost		
Other debtors	<u>633</u>	<u>384</u>
Financial liabilities measured at amortised cost		
Other creditors	<u>4,498</u>	<u>0</u>
	<u>£ 4,498</u>	<u>£ 0</u>

### 9. Related party transactions

During the year, the charity did not take part in any related party transactions.



## NATIONAL SPITFIRE PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST OCTOBER 2022

#### 10. Analysis of Support Costs

The support costs of the charity have been allocated to charitable expenditure as disclosed in Note 4. This was deemed to be the most appropriate by the Trustees. This will be reviewed in future years.

#### 11. Trustees

The Trustees of the charity complete their role as a Trustee without remuneration. The charity reimbursed Trustees £Nil during the year (2021: £Nil) for expenses incurred on behalf of the charity.

#### 12. Employees

There were no employees during the year.

#### 13. Commitments

At 31 October 2022 the charity has no annual commitments.

#### 14. Contingent Asset

The Government announced in the April Budget 2020, it has allocated match funding up to £3 million for the project, thanks to the support of the Southampton Itchen MP. In March 2023, the Government confirmed it will convert part of the match-funding allocation in to a grant of £500,000. The £500,000 government grant will be paid to the National Spitfire Project in one single payment, to be administered through the Armed Forces Covenant Trust Fund (AFCTF). The AFCTF has confirmed they have completed their required procedures and approvals, and soon as they receive the funds from His Majesty's Treasury (HMT) , they will release it to the National Spitfire Project. They are currently in direct communication with HMT to expedite the transfer of funds.

Southampton City Council initially allocated £150,000 revenue funding to the project, of which £75,200 was paid to the charity during the year under review. Southampton City Council has also allocated £350,000 capital funding as a contribution to the construction phase of the project.

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