

The Battle of Britain Memorial Trust CIO
Financial Statements
31 December 2021

BURGESS HODGSON LLP

Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Battle of Britain Memorial Trust CIO

Financial Statements

Year ended 31 December 2021

| | Page |
|--|-------------|
| Trustees' annual report | 1 |
| Independent auditor's report to the members | 11 |
| Consolidated statement of financial activities | 14 |
| Consolidated statement of financial position | 15 |
| Statement of financial position | 16 |
| Consolidated statement of cash flows | 17 |
| Notes to the financial statements | 18 |

The Battle of Britain Memorial Trust CIO

Trustees' Annual Report

Year ended 31 December 2021

Reference and administrative details

| | |
|------------------------------------|--|
| Registered charity name | The Battle of Britain Memorial Trust CIO |
| Charity registration number | 1169005 |
| Registered Address | PO Box 337, West Malling, Kent, ME6 9AA |
| Patron | HRH Prince Michael of Kent GCVO |

Trustees

| | |
|----------------------|---|
| President | Air Chief Marshal Sir Stephen Dalton GCB |
| Chairman | Richard Hunting CBE Violet Lady Aitken (Died 18 February 2021) The Hon Rory Aitken Mrs Deborah Burns Lieutenant Colonel Barry Duffield DL Wing Commander Sophy Antrobus MBE RAF (Ret'd) (resigned 10 February 2022) Mr Robin Green Mr Nick Lawn BSc (Hons) MRICS Air Vice-Marshal the Ven Ray Pentland CB |
| Hon Treasurer | Mrs SJ Pilcher BA (Hons) (appointed 15 April 2021) Mr David Rosier Wing Commander Andrew Simpson BSc RAFVR(T) (Ret'd) |
| Hon Secretary | Group Captain Patrick Tootal OBE DL |

Officers (with no Trustee responsibilities)

| | |
|----------------------------|---|
| Life Vice President | Air Chief Marshal Sir Michael Graydon GCB CBE |
| Life Vice President | Mrs Shelley Page-Gubelmann |
| Life Vice President | Paul Tory |
| Life Vice President | Mrs Geraldine Allinson OBE DL |
| Life Vice President | Mr Roland Parry BA (Hons) FCA |

Key Management Personnel

| | |
|-----------------------------------|---|
| Events Organiser | Mrs J Tootal BEM |
| Site Manager | Major (Ret'd) J Gomez |
| Assistant Site Manager | Mrs A Gomez |
| PR Consultants | Go4 Marketing and PR Ltd |
| Assistant to Hon Secretary | Mrs K Hume |
| Marketing Consultants | Realia Marketing (to 31 July 2021) Digital Creative by BCC (from 1 September 2021) |

Advisers

| | |
|----------------|--|
| Auditor | Burgess Hodgson LLP Chartered accountants & statutory auditor Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN |
|----------------|--|

The Battle of Britain Memorial Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

| | |
|----------------------------|--|
| Accountants | Magee Gammon Henwood House Henwood Ashford Kent TN24 8DH |
| Bankers | National Westminster Bank PLC 20 High Street Ashford Kent TN24 8SH |
| Investment Managers | Investec 30 Gresham St London EC2V 7QN BlackRock 12 Throgmorton Ave London EC2N 2DL |
| Solicitors | Furley Page LLP 39 St. Margaret's Street Canterbury Kent CT1 2TX |

TRUSTEES' REPORT

The Trustees of The Battle of Britain Memorial Trust CIO present their report, together with the consolidated financial statements for the year ended 31 December 2021. The financial statements comply with current statutory requirements, the Trust Deed and the Statement of Recommended Practice 'Accounting and Reporting by Charities SORP 2015'.

Objectives

The Battle of Britain Memorial Trust was established under a Trust deed dated 4 June 1990, 50 years after the campaign itself, with the object of erecting and maintaining a National Memorial to those who flew and fought and those who fell during the Battle of Britain in the summer and autumn of 1940.

The Trust's Mission Statement points out that it is "dedicated to preserving the memory of the men and women who took part in the Battle of Britain, commemorating their achievements and sacrifice. The Trust sets out to educate the public about the unique nature of the Battle of Britain and ensure that future generations are aware of the importance of this event and its place in history.

'The National Memorial to the Few at Capel-le-Ferne in Kent is a lasting reminder of all those who fought in the Battle of Britain and those who were affected by it. It is a place for reflective contemplation, reverence and respect. The Memorial provides its visitors with a site both for commemoration and learning.'

On becoming a Charitable Incorporated Organisation (CIO) in 2017 the objects were modified as follows:

"To advance education in and understanding of the contributions made by aircrew from the UK and Commonwealth and Allied countries who flew operationally under RAF Fighter Command in the Battle

The Battle of Britain Memorial Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Objectives (cont.)

of Britain between July 10 and October 31 1940, through the provision of a memorial, visitor centre and such other attractions and commemorative media as may be deemed appropriate. In addition, to support the surviving members of those aircrew and their descendants in preserving the name of the Battle of Britain Fighter Association in perpetuity."

Visitors are invited to make donations towards site maintenance in various collection boxes and more recently by credit/debit card through a contactless donation station at the site, and by purchasing refreshments, unique items of memorabilia and souvenirs. The response continues to be excellent; visitor numbers are steady and the shop and cafe in The Wing, the visitors' centre opened by HM The Queen accompanied by HRH The Duke of Edinburgh in 2015, have improved the visitors' experience.

The Trust's objective is to build up sufficient funds to care for and maintain the site and the Memorial, unveiled by Her Late Majesty Queen Elizabeth the Queen Mother in 1993, to the highest possible standards and carry out improvements as the need arises.

The Trust depends on revenue from The Wing, donations from corporations, individuals and other benefactors, legacies, fundraising activities and investment income.

Organisation

The Trust's objects, powers and other constitutional matters are set out in the Trust deed. It is governed by the Trustees, who meet four times a year. A Finance & General Purposes Committee, made up of the Chairman, Hon. Treasurer, Hon. Secretary, Wg Cdr Simpson, AVM Pentland and Major Gomez, meets when necessary, between Trust meetings. The names of Trustees appear in the list of Trustees and Advisers on page 1. There is also a Memorial Day Planning Committee, chaired by the Hon Secretary, which comprises key Trustees and the Trust's Events Organiser and PR Consultant and is responsible for planning and arranging the annual Memorial Day. To encourage the full use of the education facilities at the Geoffrey Page Centre within The Wing, there is an Education Sub-committee under the chairmanship of the Hon Secretary, which meets on an ad hoc basis as required. It comprises key Trustees, the PR Consultant and a co-opted retired teacher and has created a range of educational material.

New Trustees join the Trust at the invitation of the Trustees.

By a Deed of Variation of Trust dated 3 October 2002, the Trustees agreed that the number of Trustees could be increased to 20 and that sub-committees could be appointed to manage specific duties and functions as directed by the Trustees. The Deed of Variation also allowed the Trust to make investments and pursue modest trading activities.

The Battle of Britain Memorial Trust CIO came into effect on 1 January 2017. The Battle of Britain Memorial Trust continues to exist alongside the CIO.

Patron

HRH Prince Michael of Kent GCVO has been the Patron of the Trust since 19 November 2003.

Plans and Achievements in 2021

COVID 19

The COVID 19 pandemic again seriously curtailed Trust activities during 2021. The Wing and car park were closed on 3 November 2020 as Kent moved into Tier 4 restrictions followed by a national lockdown. The site re-opened on 19 May 2021 with some COVID restrictions in force.

Events

The Geoffrey Page Memorial Lecture by Tony Edwards at the RAF Club that had been postponed to March 2021 and was postponed again because of COVID restrictions. It has been further postponed

The Battle of Britain Memorial Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Events (cont.)

to October 2022. The theatre event planned for to mark the 80th Anniversary of the end of the Battle has been postponed until October 2023 in order to also mark the 30th Anniversary of the unveiling of the Memorial in 1993.

Memorial Day 4 July

As most legal limits on social contact in England were not removed until 19 July, to meet the restrictions in force on 4 July guest numbers for Memorial Day were limited to 60 and the Memorial was closed to the public for the day. Relatives of the Few were given priority. The scope of the event was reduced and restricted to an open-air parade and service starting at 2pm, followed by posy laying at the Christopher Foxley-Norris wall and a boxed afternoon tea in the Cockpit Cafe and Geoffrey Page Centre.

The Chief of the Air Staff was represented by Air Vice-Marshal Tamara Jennings, Director of Legal Services and head of the RAF Legal Branch. RAF support was provided by a small contingent of the RAF's Queens Colour Squadron, and a lone trumpeter from RAF Music Services. A fly past was provided by aircraft from the Battle of Britain Memorial Flight. There was a small contingent from 99 (Folkestone) Squadron ATC.

The more relaxed and intimate nature of the day was well received by our guests particularly the relatives of the Few. The additional bonus was that no infrastructure costs were incurred and for the first time in many years Memorial Day did not make a loss.

It is intended to continue to make Memorial Day a closed event in 2022 to reduce costs and in light of the positive way in which it was received in 2021.

Graydon Gates Unveiling Tuesday 14 September

The Trustees have been heartened by the support of so many who contributed to enhance the Memorial during these challenging times. This included the installation of the Graydon Gates, which previously hung at RAF Biggin Hill, and surrounding wall, the floodlighting of the Memorial Grounds, the soundproofing and blackout provision of the Geoffrey Page Centre, the laser projectors in the Scramble Experience and the brown tourist sign at Junction 10A of the M20. To thank all those who contributed, a reception was held on 14 September preceded by the formal opening of The Graydon Gates by Air Chief Marshal Sir Michael Graydon, Past President and current Life President of the Trust.

Marketing and Public Relations

Throughout 2021 the Trust's marketing and PR effort focused on keeping the men of the Battle of Britain and the Memorial in the public eye using a combination of print editorial and online activities using social media.

The Trust also revamped its YouTube channel at <https://www.youtube.com/c/BattleofBritainMemorial/videos>. The site provides an online record of just some of the ways in which the PR and marketing consultants continued to raise awareness of the site and the Trust's work.

The Trust continues to offer a responsive service to local, national and international media and continues to organise interviews with television and radio stations when requested, often at short notice. It remains the 'go to' source for regional broadcasters when relevant news stories break and is quick to provide accurate information in response to errors that appear in national magazines and news media.

A new marketing agency, Digital Creative by BCC, came on board during the year and has worked closely with Go4 Marketing and PR to deliver a comprehensive mix of digital and traditional publicity. The latter included a feature in another of Archant's county "Life" publications, Cheshire Life, which built on the exposure gained by others in the series, including monthly features in Surrey Life during 2020.

The team worked closely with a new website consultant to create an attractive and comprehensive new website with enhanced online retail capabilities and new features including a virtual reality 'walkthrough' of the entire site, including The Wing and Scramble Experience. The website was kept updated throughout the year with a wide range of news stories and features.

The Battle of Britain Memorial Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Marketing and Public Relations (cont.)

Social media output was boosted significantly, resulting in increased numbers of followers on Facebook, Twitter, Instagram and LinkedIn, while the range and number of emailed newsletters was also expanded, with specific shop-focused newsletters just one of the enhancements.

The Trust once again used a mix of free editorial and paid-for advertising in magazines to raise awareness of the site, focusing on related titles such as those produced by the Battle of Britain Memorial Flight and the coach touring and group visits markets. The well-established links retained by the PR consultant with the Daily Express again bore fruit when the newspaper attended September's "thank you" get together for supporters and devoted a spread to the new features at the site. Closer to home the Trust obtained good publicity in local media, including BBC local radio.

Because of the uncertainty around the opening of the site post-Covid-19, the main site brochure leaflet was not updated and reprinted during the year, but at the end of 2021 the Trust produced the first four in a series of fact sheets covering various aspects of the site, including the Few and the lesser-known aircraft in the Battle. These are available for sale in the shop. The annual '1940' magazine was again produced for members of the Friends of the Few and was well received.

The Trust retained its membership of ATA – the Association of Tourist Attractions in Kent – and featured on the front cover of the annual "Best Places to Visit" leaflet, tens of thousands of copies of which are delivered widely across the region to hotels, visitor attractions and other outlets each year.

The Trust also continued as a member of Visit Kent and enjoyed a number of benefits, including the opportunity to contribute to regular mailshots on topics such as half term breaks, days out, best sunsets in Kent, winter walks and the like. The opportunities were capitalized on where possible.

While being careful not to get too involved with new groupings that might prove to be of limited value but take a lot of time to service, the Trust gave 'arms-length' support to the Military Aviation Heritage Network (a group set up to link the various military heritage attractions within 11 Group) and the Visit Kent Experience Development Programme led by the team at the former Shorncliffe Barracks site.

Membership of the Experience Development Programme, albeit essentially tangential, has allowed the Trust to take advantage of Visit Kent's cut-price rates to join the AccessAble project which will be expanded upon in next year's annual report as it only emerged in December 2021. Also at the end of last year, Visit Kent began work on making the use of the Kent Heritage Coast's inclusion in the Lonely Planet guide for 2022, from which the Trust is also set to benefit.

Also working alongside Visit Kent, the Trust supported the annual Big Weekend, gaining visitors on the day and, more importantly, hundreds of new email subscribers for its GDPR-compliant mailing lists.

The new marketing consultant led the way on setting up the site's first ever 'influencer day' which raised a lot of awareness on social media amongst families with young children and worked with the Virgin Experience team to add special 'guided tour, Scramble visit and cream tea' experiences to what is the best known of the national 'experience' sites. Launched at the end of the year, and also available direct from the Trust's own website, the tours have proved a great success and have already raised several thousands of pounds. Again, this is set to feature more prominently in the 2022 annual report.

Other marketing and PR activities during the year included welcoming a group from the Shorncliffe Trust for an impressive beacon lighting ceremony at the National Memorial to the Few and running a low-key 'make a will' month in May that saw supportive local law firms provide a free will-writing service for people who donated to the Trust.

Talks/Facebook Live/YouTube/Webinars

The planned spring series of talks was curtailed due to the first lockdown but not before two well supported events had taken place. As a result of the continuing pandemic the previously arranged autumn series of talks in the Wing was cancelled. Social distancing rules meant that the Geoffrey Page

The Battle of Britain Memorial Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Talks/Facebook Live/YouTube/Webinars (cont.)

Centre was used so that the shop could continue to operate before Tier 4 restrictions and the national lockdown resulted in the site closure.

Thanks to the ingenuity of the site manager and the assistant manager, together with the marketing and PR team, a series of Facebook Live events was developed to keep the Memorial in the public eye.

Each talk was streamed live on the Trust Facebook page and then transferred to the YouTube Channel as a permanent record for public viewing. The talks related to different aspect of the Memorial site and were well received. Additionally, the, closed, wreath layings on Battle of Britain Day and Remembrance Day were streamed in a similar way. As the lockdown extended, many of the planned talks from the Autumn series were transformed into Webinars and were streamed in early 2021.

Schools Visits and Corporate Bookings

The Geoffrey Page Centre, which is based in the starboard half of The Wing, is designed to be used by schools during the day and by corporate groups in the evenings or at other times when it is not being used by schools. The Trust has prepared a range of educational material that is made available to teachers on request. The refurbished Hunting Lodge is now also available for school parties and corporate use.

In 2021, the Trust took 35 bookings from schools of which 21 had to be cancelled due to COVID 19 and with a total of 477 out of 1422 pupils learning about the Battle of Britain and touring The Scramble Experience. In addition, there were 56 corporate event bookings of which 39 had to be cancelled due to COVID 19.

Friends of the Few Association

Following its inauguration in October 2000, the Friends of the Few was formally launched on 1 January 2001. It was formed with the key role of preserving within the national memory the air battles of 1940 and supporting the National Memorial to the Few at Capel-le-Ferne.

Membership subscriptions are spent, after deducting running costs, on maintaining the Memorial and site. The regular newsletters and the annual magazine 1940 are well received by Friends and members of the Battle of Britain Fighter Association (the Few). Events such as the talks at The Wing are designed as an additional attraction for Members, who can now join on-line as well as by responding to a promotional leaflet.

Half of the Friends gained from the 2020 Crowdfunder appeal did not subscribe this year although these were viewed as one-off memberships. At the end of the year the membership stood at 590. The net income balance for the Trust was £16,142.

The Air Cadet Affiliation Scheme

The Air Cadet Affiliation Scheme was launched in August 2009 to encourage young people to take an interest in the Memorial and the Battle of Britain.

Following the agreement of the Commandant, Air Cadets, invitations to become Honorary Friends of the Few were initially sent to Air Training Corps (ATC) Squadrons bearing the numbers of Squadrons involved in the Battle of Britain or based at locations associated with the Battle. To date a significant number of squadrons nationally are affiliated, including the whole of Kent Wing.

There are also nine affiliated (Kent) RAF Sections of the Combined Cadet Force (CCF). Affiliated Air Cadet units receive all the benefits of Friends of the Few and are also invited to take part in the formal parade at the annual Memorial Day.

The Wing

Since its opening in 2015, the Wing has been and remains a success - when viewed from the ground and, especially, from the air. The Wing has received a number of design and building excellence awards from various significant bodies. The complete roll call to date is: Project of the Year and first place in the

The Battle of Britain Memorial Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

The Wing (cont.)

Commercial, Industrial and Retail category of the Kent Design and Development Awards; Winner of the Tourism and Leisure category of the RICS Awards South East 2016; Highly Commended in the Small Commercial Building category in the Local Authority Building Control (LABC) Building Excellence Awards 2015; Winner of the Best Small Commercial Building category in the LABC Southern Region Awards; Overall Winner and first place in the Excellence in Planning and Design for the Public Realm category of the Royal Town Planning Institute (RTPI) South East Awards for Planning Excellence 2015. The Memorial has also done well in other competitions, including winning the Hidden Gem category in the first ever Visit Kent Tourism Awards.

The Christopher Foxley Norris Memorial Wall

The Christopher Foxley-Norris Memorial Wall has proved to be a major asset to the Memorial and has attracted favourable comments from visitors. There is an ongoing appeal to the Friends of the Few and members of the public to sponsor individual names on the Wall for a minimum donation of £35. Sixteen individuals sponsored in 2021 and £1,190 was received.

Memorial maintenance

The excellent grass cutting service provided by Dover District Council was still provided in 2021. This continues to be a most cost-effective way of maintaining the extensive grass areas of the site. The Trustees are grateful to the council for its generous support. Mr Young, a contractor first appointed for 2008, looks after the car park, the Hunting Lodge surrounds, the replica aircraft bases and the weeding of the paved areas of the Memorial. This modest contract does much to increase the well cared-for look of the Memorial, which attracts very favourable comment from visitors.

Volunteer help also assists in the maintenance of the grounds and of the furniture in the grounds.

Memorial Management

Site Manager Major (Ret'd) Julian Gomez runs the Memorial site and Hunting Lodge. He is supported by a full-time assistant manager and four other members of staff, together with an army of some 29 willing volunteers. Weekend staff now augment the staff and volunteers, and we continue to actively try and recruit more volunteers for weekends. The staff are always well presented, manage The Wing and the site effectively and go out of their way to make visitors feel welcome.

The Trust receives wonderful support from the Trust's voluntary helpers. The Trustees wish to record their grateful thanks to staff, volunteers and others who willingly donate their services to our cause.

Visitor Numbers

After the 'honeymoon' period following the opening of The Wing in 2015, visitor numbers declined in 2016 to 38,500, to 36,000 in 2017 and to 33,600 in 2018. In 2019 the visitor numbers increased to 34,468 - a modest increase of 2.5%. It is estimated that about 50% of visitors take in The Scramble Experience. Initiatives were launched in 2018 to improve these figures. They were bearing fruit as the decline had been halted and numbers showed a modest increase. It should be noted that these figures are estimated from best evidence and do not include out-of-hours visitors to the site, which is permanently open to pedestrians. In 2021 the Pandemic had a significant effect on visitor numbers. When the Wing was open the numbers were encouraging but with one lockdown the total number for 2021 was 13,145.

Regular analysis of the visitors' book provides a good idea of the nationality of visitors. Lower visitor numbers in 2018 are thought to have reflected various factors such as an early Easter, no significant Battle of Britain anniversary events and public uncertainty over Brexit. In 2019 visitor numbers increased with the ratio of UK to non-UK visitors remaining at around 80% to 20%. Reports suggest that visitor numbers to other tourist attractions in Kent in 2021 were showing similar trends. Various Kent specific factors did affect the numbers. Issues with the M20 closures and restrictions affected perceptions of the ease of access to the Memorial site.

The marketing and PR consultants worked closely to maximise the numbers visiting when they could and to encourage people to support the charity. In 2021 visitor numbers increased, probably because of Staycations in August and September, and spent more in the Wing.

The Battle of Britain Memorial Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

The refurbished Hunting Lodge

Hunting Lodge is intended to be used for a number of purposes. Prior to the pandemic restrictions the Trustees held their meetings in the Lodge. It was also hired out for business and other meetings. To support the business use a sink was installed in one of the store rooms to facilitate the servicing of the room by Memorial staff.

The Library has been completely catalogued and the catalogue has been computerised thanks to the generosity of the Smarden Historical Group who supplied their bespoke archive programme free of charge.

The system is also being used to record items of interest in an archive using photographic records. Due to the pandemic these activities effectively ceased after March 2020 but were resumed in May 2021.

Partnerships

The Trust works with Kent Ambassadors and the media to promote its activities. It has continued to develop and protect its relationship with local people in the parish of Capel-le-Ferne and enjoyed great local support during the year under review.

Links continue with the team at Headcorn, which is home to Aero Legends and to the Biggin Hill Heritage Hangar, companies which fly passengers in vintage aircraft including Spitfires and which regularly overfly the site at Capel-le-Ferne. The Trust also worked with Dover Arts Development on a number of initiatives and continues to work closely with the Kent Battle of Britain Museum at nearby Hawkinge. A team from Hawkinge helped recover and repair wind damage to our replicas in 2021.

Financial Position and Fundraising

At 31 December 2021 the consolidated Trust funds totalled £4,604,616 (2020: £4,644,820), comprising restricted, unrestricted and designated funds of, respectively, £64,031, £1,842,875 and £2,697,710 (2020: restricted of £57,066, unrestricted of £1,885,229 and designated of £2,702,525).

Public Benefit Entity

The Battle of Britain Memorial Trust CIO meets the definition of a public benefit entity under FRS 102 and the Trustees confirm they have had regard to the Charity Commission's guidance on public benefit.

Legacies

The Trust can only survive and carry out its mission into the future with significant donations, such as gifts and legacies, from those who wish it well. It did not receive any legacies in 2021 (2020: 165,675). A specific marketing brochure promoting legacies has been produced for distribution.

The total incoming resources totalled £465,904 (2020: £570,055).

Reserves

The Trust's total reserves at 31 December 2021 stood at £2,039,059 (2020 £1,885,229). This figure is arrived at after removing the The Learning Centre Fund of £2,501,526 (2020 £2,702,525), which relates to the land and buildings used to carry out the Trust's activities, and the Restricted Fund of £64,031 (2020 £57,066).

The Trustees continue to monitor the level of reserves required and this is especially relevant at this time. To that end, the Finance and General Purpose Committee of the Trust meet regularly and consider the level of reserves. At present, a policy of six months expenditure is considered relevant before any realisation of other investments may be required. As indicated, should the need arise, investments will be realised to ensure sufficient funding is available to meet the reserves level for the upcoming period. This policy is currently above that which Trustees feel is prudent at the current time to meet unforeseen maintenance and capital costs. We have been through a financially difficult period and will continue to do so into 2022. The F+GP Committee regularly monitor the financial position of the Trust and are mindful that the need to liquidate reserves may occur, and have the willingness to do so at the appropriate time.

The Battle of Britain Memorial Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Reserves (cont.)

The Trust continues with the twin aims of building up a fund to provide sufficient income for all normal maintenance of the Memorial and site and raising funds for future enhancements.

Battle of Britain Memorial Limited took over the trading element of the Trust with effect from 1 January 2014.

Investments

The Trustees employ Investec Wealth & Investment as brokers and advisors for the investment portfolio. The portfolio is managed with the objective of providing income towards the running costs of the Memorial. Security of capital is of prime importance and so the portfolio is invested primarily in fixed interest securities, both bonds and preference shares. The balance is invested in a small number of mostly higher-yielding equities and Investec has a discretionary mandate to manage these and the remainder of the portfolio while bearing in mind a moderate level of risk. In addition, the Trust has over £500,000 invested in the Armed Forces Common Investment Fund managed by BlackRock.

Risk

The Trustees have examined the major strategic, business and operational risks involved in the Trust's activities and are satisfied that appropriate reports and information have been produced to allow them to run the Trust's operations satisfactorily.

The trust runs a perpetual risk assessment, including evaluating the risks regarding the property, which are addressed with adequate insurance and annual health and safety audits. The charity is also very aware of the possibility of lack of public interest in the Battle of Britain and is actively continuing to investigate ways in which this can be brought to the continued attention of all through continued marketing expenditure and other public relations and media activities.

Post Balance Sheet Events

The Wing was closed in 2021 from 1 January until 19 May 2021 with opening times temporarily restricted to five days (Wednesday to Sunday). The Trustees held a view to re-open 7 days a week from 19 July when most of UK's Government COVID Restrictions on social contact were eased.

The Furlough scheme was operated with staff working on a part-time basis to match footfall and receipts until the scheme ended in 2021. Government support grants were applied for from late 2020 and into 2021.

In 2021 we received £115,257 in support grants and £6,000 as a final grant in 2022.

All long-term fundraising events have been postponed in 2021. The decision has been taken to hold the annual Memorial Day as a closed event again in 2022 only with increased numbers with priority given to relatives of the Few and Friends of the Few. By making it a closed event significant savings can be made infrastructure costs. A major fundraising event is planned for October 2022.

The Battle of Britain Memorial Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

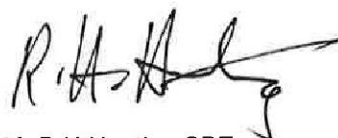
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material 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 charity will continue in business.

The trustees are responsible for maintaining proper accounting records which 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' annual report was approved on 9th June 2022 and signed on behalf of the board of trustees by:



Mr R H Hunting CBE
Chairman



Group Captain Patrick Tootal OBE DL
Hon Secretary

The Battle of Britain Memorial Trust CIO

Independent Auditor's Report to the Members of The Battle of Britain Memorial Trust CIO (continued)

Year ended 31 December 2021

Opinion

We have audited the financial statements of The Battle of Britain Memorial Trust CIO (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, consolidated statement of financial position, parent charity statement of financial position, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group and parent charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 parent charity and group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a

The Battle of Britain Memorial Trust CIO

Independent Auditor's Report to the Members of The Battle of Britain Memorial Trust CIO *(continued)*

Year ended 31 December 2021

material misstatement of the other information. 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.

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 Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

Our 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.

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment and performance of the entity.

We also consider the results of our enquiries of management, relating to their own identification and assessment of the risks of irregularities and possible related fraud. This includes reviewing available documentation on their policies and procedures and performing tests of controls to evidence their effectiveness.

The Battle of Britain Memorial Trust CIO

Independent Auditor's Report to the Members of The Battle of Britain Memorial Trust CIO (continued)

Year ended 31 December 2021

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit.

Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's 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 Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Andrew Collyer (Senior Statutory Auditor)
Burgess Hodgson LLP
(Chartered Accountants & Statutory Auditor)
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Date: 9th June 2022

The Battle of Britain Memorial Trust CIO

Consolidated Statement of Financial Activities

Year ended 31 December 2021

| | | | 2021 | | 2020 |
|---|------|-------------------------|-----------------------|------------------|------------------|
| | Note | Unrestricted funds £ | Restricted funds £ | Total funds £ | Total funds £ |
| Income and endowments | | | | | |
| Donations and legacies | 4 | 218,715 | 17,720 | 236,435 | 379,209 |
| Other trading activities | 5 | 196,985 | — | 196,985 | 155,607 |
| Investment income | 6 | 31,448 | — | 31,448 | 35,041 |
| Other income | 7 | 1,036 | — | 1,036 | 198 |
| Total income | | <u>448,184</u> | <u>17,720</u> | <u>465,904</u> | <u>570,055</u> |
| Expenditure | | | | | |
| Expenditure on raising funds: Costs of other trading activities | 8 | 66,895 | — | 66,895 | 61,393 |
| Expenditure on charitable activities | 9,10 | 625,220 | 10,755 | 635,975 | 610,098 |
| Total expenditure | | <u>692,115</u> | <u>10,755</u> | <u>702,870</u> | <u>671,491</u> |
| Net gains/(losses) on investments | 12 | 196,762 | — | 196,762 | 74,256 |
| Net income/(expenditure) and net movement in funds | | <u>(47,169)</u> | <u>6,965</u> | <u>(40,204)</u> | <u>(27,180)</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 4,587,754 | 57,066 | 4,644,820 | 4,672,000 |
| Total funds carried forward | | <u>4,540,585</u> | <u>64,031</u> | <u>4,604,616</u> | <u>4,644,820</u> |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 18 to 29 form part of these financial statements.

The Battle of Britain Memorial Trust CIO

Consolidated Statement of Financial Position

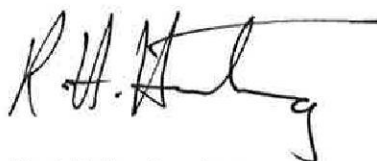
31 December 2021

| Group | Note | 2021 £ | 2020 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Intangible assets | 17 | 21,000 | 21,000 |
| Tangible fixed assets | 18 | 3,306,464 | 3,496,656 |
| Fixed asset investments | 19 | 1,492,127 | 1,320,250 |
| | | <u>4,819,591</u> | <u>4,837,906</u> |
| Current assets | | | |
| Stock | | 83,211 | 84,123 |
| Debtors | 20 | 35,691 | 44,203 |
| Cash at bank and in hand | | 112,433 | 148,802 |
| | | <u>231,335</u> | <u>277,128</u> |
| Creditors: amounts falling due within one year | 21 | 65,349 | 71,305 |
| Net current assets | | <u>165,986</u> | <u>205,823</u> |
| Total assets less current liabilities | | <u>4,985,577</u> | <u>5,043,729</u> |
| Creditors: amounts falling due after more than one year | 22 | 380,961 | 398,909 |
| Net assets | | <u>4,604,616</u> | <u>4,644,820</u> |
| Funds of the charity | | | |
| Restricted funds | | 64,031 | 57,066 |
| Unrestricted funds | | 4,540,585 | 4,587,754 |
| Total charity funds | 24 | <u>4,604,616</u> | <u>4,644,820</u> |

These financial statements were approved by the board of trustees and authorised for issue on 9 June 2022, and are signed on behalf of the board by:



Group Captain Patrick Tootal OBE DL
Hon Secretary & Trustee



Mr R H Hunting CBE
Trustee

The notes on pages 18 to 29 form part of these financial statements.

The Battle of Britain Memorial Trust CIO

Statement of Financial Position

31 December 2021

| Charity | Note | 2021 £ | 2020 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Intangible assets | 18 | 21,000 | 21,000 |
| Tangible fixed assets | 19 | 3,306,048 | 3,496,101 |
| Fixed asset investments | 20 | 1,492,127 | 1,320,250 |
| | | <u>4,819,175</u> | <u>4,837,351</u> |
| Current assets | | | |
| Debtors | 21 | 299,139 | 258,802 |
| Cash at bank and in hand | | <u>65,452</u> | <u>144,419</u> |
| | | 364,591 | 403,221 |
| Creditors: amounts falling due within one year | 22 | 63,274 | 68,365 |
| Net current assets | | <u>301,317</u> | <u>334,856</u> |
| Total assets less current liabilities | | 5,120,492 | 5,172,207 |
| Creditors: amounts falling due after more than one year | 23 | 380,961 | 398,909 |
| Net assets | | <u>4,739,531</u> | <u>4,773,298</u> |
| Funds of the charity | | | |
| Restricted funds | | 64,031 | 57,066 |
| Unrestricted funds | | <u>4,675,500</u> | <u>4,716,232</u> |
| Total charity funds | 25 | <u>4,739,531</u> | <u>4,773,298</u> |

These financial statements were approved by the board of trustees and authorised for issue on 9 Dec 2022 and are signed on behalf of the board by:



Group Captain Patrick Tootal OBE DL
Hon Secretary & Trustee



Mr R H Hunting CBE
Trustee

The Charity's Statement of Financial Activities for the year showed a deficit of £33,767 (2020 – gain of £43,173)

The notes on pages 18 to 29 form part of these financial statements.

The Battle of Britain Memorial Trust CIO

Consolidated Statement of Cash Flows

Year ended 31 December 2021

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Cash flows from operating activities | | |
| Net income/(expenditure) | (40,205) | (27,180) |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 221,415 | 215,000 |
| Net gains on investments | (171,877) | (49,596) |
| Dividends, interest and rents from investments | (30,512) | (31,932) |
| Other interest receivable and similar income | (936) | (3,109) |
| Interest payable and similar charges | 13,005 | 15,026 |
| Accrued expenses | (2,753) | 3,045 |
| <i>Changes in:</i> | | |
| Stock | 912 | 9,780 |
| Trade and other debtors | 7,103 | 8,566 |
| Trade and other creditors | (1,793) | (29,399) |
| Cash generated from operations | (5,641) | 110,201 |
| Interest paid | (13,005) | (15,026) |
| Interest received | 936 | 3,109 |
| Net cash from/(used in) operating activities | (17,710) | 98,284 |
| Cash flows from investing activities | | |
| Dividends, interest and rents from investments | 30,512 | 31,932 |
| Purchase of tangible assets | (31,223) | (70,451) |
| Net cash from investing activities | (711) | (38,519) |
| Cash flows from financing activities | | |
| Proceeds from borrowings | (17,948) | (4,337) |
| Net cash used in financing activities | (17,948) | (4,337) |
| Net increase in cash and cash equivalents | (36,369) | 55,428 |
| Cash and cash equivalents at beginning of year | 148,802 | 93,374 |
| Cash and cash equivalents at end of year | 112,433 | 148,802 |

The notes on pages 18 to 29 form part of these financial statements.

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is PO Box 337, West Malling, Kent, ME6 9AA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Public benefit entity

The Battle of Britain Memorial Trust CIO meets the definition of a public benefit entity under FRS 102.

Going concern

There are no material uncertainties about the charity's ability to continue.

Consolidation

The charity controls a trading subsidiary, The Battle of Britain Memorial Limited (company number 08638616). The address of the registered office of the company is Henwood House, Henwood, Ashford, Kent, TN24 8DH.

These financial statements consolidate the results of the CIO and its wholly owned subsidiary company The Battle of Britain Memorial Limited on a line by line basis.

Uniform accounting policies are adopted across the Group and inter company transactions are eliminated on consolidation.

A separate Statement of Financial Activities for the Charity itself is not presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key Sources of estimation uncertainty

The depreciation rates charged to the Statement of Financial Activities by the charity in respect of the tangible fixed assets are set out in the accounting policies note. These are formulated based on past experience and expected performance and are regularly reviewed to ensure they remain appropriate.

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|-------------------------------------|---|----------------------|
| Freehold property | - | 2% straight line |
| Hurricane and Spitfire | - | 5% straight line |
| Furniture, fittings and equipment | - | 25% reducing balance |
| Security, site and office equipment | - | 25% reducing balance |
| Memorial wall | - | 2% straight line |

Government grants

Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Loans and borrowings are initially recognised at transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

4. Donations and legacies

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ |
|-------------------|----------------------------|--------------------------|--------------------------|
| Donations | | | |
| Donations | 93,377 | 17,720 | 111,097 |
| Collection Boxes | 10,081 | — | 10,081 |
| Legacies | | | |
| Legacies | — | — | — |
| Grants | | | |
| Government grants | 115,257 | — | 115,257 |
| | <u>218,715</u> | <u>17,720</u> | <u>236,435</u> |

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

4. Donations and legacies *(continued)*

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2020 £ |
|-------------------|----------------------------|--------------------------|--------------------------|
| Donations | | | |
| Donations | 130,865 | — | 130,865 |
| Collection Boxes | 7,840 | — | 7,840 |
| Legacies | | | |
| Legacies | 155,675 | 10,000 | 165,675 |
| Grants | | | |
| Government Grants | 23,829 | 51,000 | 74,829 |
| | <u>318,209</u> | <u>61,000</u> | <u>379,209</u> |

5. Other trading activities

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|--------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Functions | 955 | 955 | 18,357 | 18,357 |
| Friends of the Few Association | 16,142 | 16,142 | 18,301 | 18,301 |
| Shop income | 139,733 | 139,733 | 94,390 | 94,390 |
| The Scramble Experience | 29,909 | 29,909 | 17,964 | 17,964 |
| Car park | 10,246 | 10,246 | 6,595 | 6,595 |
| | <u>196,985</u> | <u>196,985</u> | <u>155,607</u> | <u>155,607</u> |

6. Investment income

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|--------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Income from listed investments | 30,512 | 30,512 | 31,932 | 31,932 |
| Bank interest receivable | 936 | 936 | 3,109 | 3,109 |
| | <u>31,448</u> | <u>31,448</u> | <u>35,041</u> | <u>35,041</u> |

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

7. Other income

| | Unrestricted Funds | Total Funds 2021 | Unrestricted Funds | Total Funds 2020 |
|----------------------------|-----------------------|---------------------|-----------------------|---------------------|
| | £ | £ | £ | £ |
| Royalties and license fees | 436 | 436 | 198 | 198 |
| Other income | 600 | 600 | — | — |
| | <u>1,036</u> | <u>1,036</u> | <u>198</u> | <u>198</u> |

8. Costs of other trading activities

| | Unrestricted Funds | Total Funds 2021 | Unrestricted Funds | Total Funds 2020 |
|------------------------|-----------------------|---------------------|-----------------------|---------------------|
| | £ | £ | £ | £ |
| Shop costs - purchases | 66,895 | 66,895 | 61,393 | 61,393 |
| | <u>66,895</u> | <u>66,895</u> | <u>61,393</u> | <u>61,393</u> |

9. Expenditure on charitable activities by fund type

| | Unrestricted Funds | Restricted Funds | Total Funds 2021 | Unrestricted Funds | Total Funds 2020 |
|------------------------|-----------------------|---------------------|---------------------|-----------------------|---------------------|
| | £ | £ | £ | £ | £ |
| Heritage and Education | 519,355 | 10,755 | 530,110 | 509,206 | 515,103 |
| Support costs | 105,865 | — | 105,865 | 94,995 | 94,995 |
| | <u>625,220</u> | <u>10,755</u> | <u>635,975</u> | <u>604,201</u> | <u>610,098</u> |

10. Expenditure on charitable activities by activity type

| | Activities undertaken directly | Support costs | Total funds 2021 | Total fund 2020 |
|------------------------|--------------------------------------|------------------|---------------------|--------------------|
| | £ | £ | £ | £ |
| Heritage and Education | 530,110 | 104,270 | 634,380 | 608,523 |
| Governance costs | — | 1,595 | 1,595 | 1,575 |
| | <u>530,110</u> | <u>105,865</u> | <u>635,975</u> | <u>610,098</u> |

11. Analysis of support costs

| | Total 2021 £ | Total 2020 £ |
|---------------------------------|-----------------|-----------------|
| General office | 62,947 | 52,313 |
| Governance costs | 1,595 | 1,575 |
| Other motor/travel costs | 5,413 | 4,190 |
| Legal and professional | 6,424 | 5,721 |
| Bookkeeping costs | 10,263 | 11,346 |
| Interest and other bank charges | 19,223 | 19,850 |
| | <u>105,865</u> | <u>94,995</u> |

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

12. Net gains/(losses) on investments

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|-----------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Gains on listed investments | 196,762 | 196,762 | 74,256 | 74,256 |

13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

| | 2021 £ | 2020 £ |
|---------------------------------------|-----------|-----------|
| Depreciation of tangible fixed assets | 221,415 | 215,000 |
| Interest payable on bank loans | 10,083 | 11,201 |

14. Auditors' remuneration

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Fees payable for the audit of the financial statements | 1,595 | 1,575 |

Accountancy services costs totalling £1,595 (2020: £1,575) were paid to Burgess Hodgson LLP, the auditor of the Charity.

Accountancy services costs totalling £1,000 (2020: £1,000) were paid to Burgess Hodgson LLP, the auditor of the Charity, by The Battle of Britain Memorial Limited, a subsidiary of the Charity.

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Wages and salaries | 125,146 | 153,927 |
| Social security costs | 5,115 | 6,782 |
| Employer contributions to pension plans | 1,003 | 2,237 |
| | 131,264 | 162,946 |

The average head count of employees during the year was 8 (2020: 9). No employee received employee benefits of more than £60,000 during the year (2020: Nil).

16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees. Expenses totalling £4,500 (2020: £7,875) were paid to a Trustee during the year, further information can be found in Note 26 for related party transactions.

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements (continued)

Year ended 31 December 2021

17. Intangible assets

| <u>Group and Charity</u> | Trademarks £ |
|--|-------------------------|
| Cost | |
| At 1 January 2021 and 31 December 2021 | 21,000 |
| Amortisation | |
| At 1 January 2021 and 31 December 2021 | — |
| Carrying amount | |
| At 31 December 2021 | 21,000 |
| At 31 December 2020 | 21,000 |

18. Tangible fixed assets

| | Land and buildings £ | Hurricane and Spitfire £ | Furniture, fittings and equipment £ | Security, site and office equipment £ | Memorial wall £ | Total £ |
|------------------------|----------------------------|--------------------------------|--|---|-----------------------|--------------------|
| Group | | | | | | |
| Cost | | | | | | |
| At 1 Jan 2021 | 4,470,440 | 49,772 | 40,211 | 121,831 | 146,111 | 4,828,365 |
| Additions | — | — | 30,644 | 579 | — | 31,223 |
| At 31 Dec 2021 | <u>4,470,440</u> | <u>49,772</u> | <u>70,855</u> | <u>122,410</u> | <u>146,111</u> | <u>4,859,588</u> |
| Depreciation | | | | | | |
| At 1 Jan 2021 | 1,146,922 | 43,741 | 15,181 | 96,867 | 28,998 | 1,331,709 |
| Charge for the year | 200,999 | 2,488 | 9,983 | 6,373 | 1,572 | 221,415 |
| At 31 Dec 2021 | <u>1,347,921</u> | <u>46,229</u> | <u>25,164</u> | <u>103,240</u> | <u>30,570</u> | <u>1,553,124</u> |
| Carrying amount | | | | | | |
| At 31 Dec 2021 | <u>3,122,519</u> | <u>3,543</u> | <u>45,691</u> | <u>19,170</u> | <u>115,541</u> | <u>3,306,464</u> |
| At 31 Dec 2020 | <u>3,323,518</u> | <u>6,031</u> | <u>25,030</u> | <u>24,964</u> | <u>117,113</u> | <u>3,496,656</u> |
| | | | | | | |
| | Land and buildings £ | Hurricane and Spitfire £ | Furniture, fittings and equipment £ | Security, site and office equipment £ | Memorial wall £ | Total £ |
| Charity | | | | | | |
| Cost | | | | | | |
| At 1 Jan 2021 | 4,470,440 | 49,772 | 39,346 | 121,381 | 146,111 | 4,827,050 |
| Additions | — | — | 30,644 | 579 | — | 31,223 |
| At 31 Dec 2021 | <u>4,470,440</u> | <u>49,772</u> | <u>69,990</u> | <u>121,960</u> | <u>146,111</u> | <u>4,858,273</u> |
| Depreciation | | | | | | |
| At 1 Jan 2021 | 1,146,922 | 43,741 | 14,660 | 96,628 | 28,998 | 1,330,949 |
| Charge for the year | 200,999 | 2,488 | 9,897 | 6,320 | 1,572 | 221,276 |
| At 31 Dec 2021 | <u>1,347,921</u> | <u>46,229</u> | <u>24,557</u> | <u>102,948</u> | <u>30,570</u> | <u>1,552,225</u> |
| Carrying amount | | | | | | |
| At 31 Dec 2021 | <u>3,122,519</u> | <u>3,543</u> | <u>45,433</u> | <u>19,012</u> | <u>115,541</u> | <u>3,306,048</u> |
| At 31 Dec 2020 | <u>3,323,518</u> | <u>6,031</u> | <u>24,686</u> | <u>24,753</u> | <u>117,113</u> | <u>3,496,101</u> |

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

19. Fixed asset investments

| | Listed investments £ |
|---|----------------------------|
| Group and Charity | |
| Cost or valuation | |
| At 1 January 2021 | 1,320,250 |
| Additions | 65,893 |
| Disposals | (83,856) |
| Fair value movements | 189,840 |
| At 31 December 2021 | 1,492,127 |
| Impairment | |
| At 1 January 2021 and 31 December 2021 | |
| Carrying amount | |
| At 31 December 2021 | 1,492,127 |
| At 31 December 2020 | 1,320,250 |

All investments shown above are held at valuation.

Concentration of investments

The following investments amounted to more than 5% of the total asset investments of the CIO.

| | 2021 £ | 2021 % | 2020 £ | 2020 % |
|--|-----------|-----------|-----------|-----------|
| Goldman Sachs AM Stirling Liquid Reserves | 110,732 | 7.4% | 92,017 | 7.0% |
| BlackRock Armed Forces Charities Growth & Income Fund | 648,139 | 43.4% | 591,262 | 44.8% |

Listed investments

The fair value of the listed investments at the 31 December 2021 was £1,492,127 (2020: £1,320,250).

The investments held are all readily marketable and have been valued by reference to the mid-market price provided by the fund managers.

20. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|---------------|---------------|
| Group | | |
| Trade debtors | 106 | 175 |
| Prepayments and accrued income | 14,554 | 20,715 |
| Other debtors | 21,031 | 23,313 |
| | 35,691 | 44,203 |

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

20. Debtors (cont.)

| | 2021 | 2020 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Charity | | |
| Trade debtors | 42,066 | 45,590 |
| Amounts owed by group undertakings | 222,050 | 172,448 |
| Prepayments and accrued income | 14,554 | 20,715 |
| Other debtors | 20,469 | 20,049 |
| | <u>299,139</u> | <u>258,802</u> |

21. Creditors: amounts falling due within one year

| Group | 2021 | 2020 |
|---------------------------------|---------------|---------------|
| | £ | £ |
| Bank loans and overdrafts | 23,000 | 23,000 |
| Trade creditors | 16,826 | 20,159 |
| Accruals and deferred income | 20,293 | 23,046 |
| Social security and other taxes | 4,106 | 3,540 |
| Other creditors | 1,124 | 1,560 |
| | <u>65,349</u> | <u>71,305</u> |

| Charity | 2021 | 2020 |
|---------------------------------|---------------|---------------|
| | £ | £ |
| Bank loans and overdrafts | 23,000 | 23,000 |
| Trade creditors | 16,826 | 18,749 |
| Accruals and deferred income | 18,218 | 21,516 |
| Social security and other taxes | 4,106 | 3,540 |
| Other creditors | 1,124 | 1,560 |
| | <u>63,274</u> | <u>68,365</u> |

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

| Group and Charity | 2021 | 2020 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | <u>380,961</u> | <u>398,909</u> |

Initial loan of £500,000 with monthly instalments based on a repayment term of 19 years. There is a 60 month commitment period, interest for the 60 month period is at base + 2.33%.

The lender maintains a fixed charge over The Wing, Battle of Britain Memorial, New Dover Road, Capel Le Ferne, Folkestone, Kent CT18 7JJ as security for the loan balance.

Included within Bank loans and overdrafts is £242,961 (2020: £262,909) in respect of liabilities repayable by instalments which fall due for payment in more than 5 years from the reporting date.

The Battle of Britain Memorial Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

23. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,003 (2020: £2,237).

24. Analysis of charitable funds

Unrestricted funds

| | At 1 January 2021 | Income | Expenditure | Gains and losses | At 31 December 2021 |
|-----------------------------------|----------------------|---------|-------------|---------------------|---------------------------|
| <u>Group</u> | £ | £ | £ | £ | £ |
| General funds | 1,684,985 | 448,184 | (487,056) | 196,762 | 1,842,875 |
| Visitor's Centre Fund | 2,702,525 | — | (200,999) | — | 2,501,526 |
| Friends of The Few Association | 107,748 | — | — | — | 107,748 |
| Hurricane Fund | 36,070 | — | (2,488) | — | 33,582 |
| Memorial Wall Fund | 56,426 | — | (1,572) | — | 54,854 |
| Total unrestricted funds | 4,587,754 | 448,184 | (692,115) | 196,762 | 4,540,585 |

| | At 1 January 2021 | Income | Expenditure | Gains and losses | At 31 December 2021 |
|-----------------------------------|----------------------|---------|-------------|---------------------|---------------------------|
| <u>Charity</u> | £ | £ | £ | £ | £ |
| General funds | 1,813,463 | 366,717 | (399,151) | 196,762 | 1,977,791 |
| Visitor's Centre Fund | 2,702,525 | — | (200,999) | — | 2,501,526 |
| Friends of The Few Association | 107,748 | — | — | — | 107,748 |
| Hurricane Fund | 36,070 | — | (2,488) | — | 33,582 |
| Memorial Wall Fund | 56,426 | — | (1,572) | — | 54,854 |
| Total unrestricted funds | 4,716,232 | 366,717 | (604,210) | 196,762 | 4,675,500 |

Restricted funds

| | At 1 January 2021 | Income | Expenditure | Gains and losses | At 31 December 2021 |
|--------------------------|----------------------|--------|-------------|---------------------|---------------------------|
| <u>Group and Charity</u> | £ | £ | £ | £ | £ |
| Biggin Hill | 1,963 | — | — | — | 1,963 |
| The Wing Roof | 45,334 | — | (5,666) | — | 39,668 |
| The Wing Lights | 9,769 | 17,720 | (5,089) | — | 22,400 |
| Total general funds | 57,066 | 17,720 | (10,755) | — | 64,031 |

The Battle of Britain Memorial Trust CIO

Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2021

25. Analysis of net assets between funds

| Group | Unrestricted Funds | Restricted Funds | Total Funds 2021 | Total Funds 2020 |
|-------------------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| Intangible assets | 21,000 | – | 21,000 | 21,000 |
| Tangible fixed assets | 3,252,903 | 53,561 | 3,306,464 | 3,496,656 |
| Investments | 1,492,127 | – | 1,492,127 | 1,320,250 |
| Current assets | 220,865 | 10,470 | 231,335 | 277,128 |
| Creditors less than 1 year | (65,349) | – | (65,349) | (71,305) |
| Creditors greater than 1 year | (380,961) | – | (380,961) | (398,909) |
| Net assets | 4,540,585 | 64,031 | 4,604,616 | 4,644,820 |

| Charity | Unrestricted Funds | Restricted Funds | Total Funds 2021 | Total Funds 2020 |
|-------------------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| Intangible assets | 21,000 | – | 21,000 | 21,000 |
| Tangible fixed assets | 3,252,487 | 53,561 | 3,306,048 | 3,496,101 |
| Investments | 1,492,127 | – | 1,492,127 | 1,320,250 |
| Current assets | 354,121 | 10,470 | 364,591 | 403,220 |
| Creditors less than 1 year | (63,274) | – | (63,274) | (68,365) |
| Creditors greater than 1 year | (380,961) | – | (380,961) | (398,909) |
| Net assets | 4,675,500 | 64,031 | 4,739,531 | 4,773,297 |

26. Related parties

Wages of £32,724 (2020: £32,724) were paid to the spouse of one of the Trustees.

Rent for the use of an office of £4,500 (2020: £7,875) was paid to one of the Trustees.