

Trustees' Report and
Unaudited Financial Statements for the Year Ended 31st March 2022
for
King's Lynn Festival Limited

Stephenson Smart (East Anglia) Limited
Chartered accountants
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

King's Lynn Festival Limited

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**Trustees' Report
for the Year Ended 31st March 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Trustees' Report
for the Year Ended 31st March 2022**

Objectives and activities

The principal objects of the company are:-

To promote, maintain, improve and advance public education, appreciation and understanding in its broadest sense through the arts, particularly by the formulation, preparation, establishment and production of educational plays, festivals and productions, in particular the King's Lynn Festival of Music and the Arts.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Achievements and performance

Audiences for music were permitted from April 2021, as the nation emerged from Covid-19, and distancing regulations ended as the 2021 Festival began. The Board felt that the financial risk had to be taken, and the July fortnight was filled with smaller events in airy and historic churches; the delayed 70th Anniversary exhibition also featured the life and variety of past King's Lynn Festivals.

The musicians and audiences were enthusiastic, but attendance and income was about 10% below our financial targets. An already-planned Autumn programme with 13 events included several of the larger ones normally in July, in the expectation of rising public enthusiasm (and supported by government grants). However a cautious local audience was not boosted by those from further afield, and attendances were at least 25% below what we hoped. Whilst government gave financial support and suggested a return to normality, the Arts sector nationwide has experienced a long-running decline in income. This was bound to influence the Festival's approach to the programme in 2022.

Financial review

The results for the year, and the Charity's financial position at the end of the year are shown in the attached financial statements.

Reserves

The charity defines its reserves as the value of those assets over and above those which are required for it to meet its current commitments and planned expenditure. Trustees aim to have sufficient reserves to enable the charity to meet its financial objectives for one year.

Risk review

The trustees met regularly during the year, partly via Zoom. Major risks are always discussed at these meetings and the systems that are in place to mitigate those risks examined. The trustees consider the lack of a secure income base, to be the most significant risk and continue to take all possible steps to ensure that this is mitigated.

Investment policy

The Trustees Investment policy is to maximise returns on the cash balances held, having due regard to risk.

**Trustees' Report
for the Year Ended 31st March 2022**

Plans for future periods

In 2022 the Festival has experimented with an April weekend of Early Music. The July Festival was programmed for a normal full range of events and venues, with coffee concerts and lectures in the autumn and spring. The trustees are considering how best to broaden the Festival's appeal, with a wider range of performance, partnerships to reach school audiences, and development events in the larger nearby villages. However, there is also a need to develop a more stable funding platform and more business sponsorship. The Borough Council has adopted a major project to reinvest in the St George's Guildhall complex, which will affect the availability of the hall and spaces in 2024-25, and is likely to relocate the Festival office.

Structure, governance and management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 14 November 1997.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association

Recruitment and appointment of new trustees

The nomination and appointment of trustees is made by existing Trustees and Company Members. Appropriate induction and training is given to trustees when appointed.

Reference and administrative details

Registered Company number

03468735 (England and Wales)

Registered Charity number

1066819

Registered office

11 New Conduit Street
King's Lynn
Norfolk
PE30 1DG

Trustees

Mrs S Cliffe (appointed 21.7.2021)
Mr D P Collingham
Mrs A J Croose (Chair)
Mr A G Parker
Mr A J Williams
Mr T A Thomas (appointed 6.10.2022)
Mr R G W Anderson (appointed 6.10.2022)

Company Secretary

Mr A J Williams

**Trustees' Report
for the Year Ended 31st March 2022**

Reference and administrative details

Independent Examiner

Claire Melton

FCCA TEP

Stephenson Smart (East Anglia) Limited

Chartered accountants

22-26 King Street

King's Lynn

Norfolk

PE30 1HJ

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 3rd November 2022 and signed on its behalf by:

Mrs A J Croose - Trustee

Independent Examiner's Report to the Trustees of King's Lynn Festival Limited

Independent examiner's report to the trustees of King's Lynn Festival Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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 were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Claire Melton
FCCA TEP
Stephenson Smart (East Anglia) Limited
Chartered accountants
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

3rd November 2022

King's Lynn Festival Limited

Statement of Financial Activities for the Year Ended 31st March 2022

				Year ended 31.3.22	Period 1.9.20 to 31.3.21
	Notes	Unrestricted fund £	Restricted fund £	Total funds £	Total funds £
Income and endowments from					
Donations and legacies	2	174,363	-	174,363	23,617
Charitable activities					
Festival activities		61,580	-	61,580	146
Investment income	3	21	2	23	10
Total		235,964	2	235,966	23,773
Expenditure on					
Raising funds	5	14,857	-	14,857	-
Charitable activities	6				
Festival activities		191,814	-	191,814	40,549
Total		206,671	-	206,671	40,549
NET INCOME/(EXPENDITURE)		29,293	2	29,295	(16,776)
Reconciliation of funds					
Total funds brought forward		16,579	21,534	38,113	54,889
Total funds carried forward		45,872	21,536	67,408	38,113

The notes form part of these financial statements

King's Lynn Festival Limited (Registered number: 03468735)

Balance Sheet
31st March 2022

		Unrestricted fund	Restricted fund	2022 Total funds	2021 Total funds
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12	1,969	-	1,969	836
Current assets					
Debtors	13	1,310	-	1,310	1,371
Cash at bank and in hand		161,749	21,536	183,285	165,088
		<u>163,059</u>	<u>21,536</u>	<u>184,595</u>	<u>166,459</u>
Creditors					
Amounts falling due within one year	14	(50,806)	-	(50,806)	(60,832)
		<u>112,253</u>	<u>21,536</u>	<u>133,789</u>	<u>105,627</u>
Net current assets					
		<u>112,253</u>	<u>21,536</u>	<u>133,789</u>	<u>105,627</u>
Total assets less current liabilities		114,222	21,536	135,758	106,463
Provisions for liabilities	15	(68,350)	-	(68,350)	(68,350)
		<u>45,872</u>	<u>21,536</u>	<u>67,408</u>	<u>38,113</u>
NET ASSETS		45,872	21,536	67,408	38,113
Funds	16				
Unrestricted funds				45,872	16,579
Restricted funds				21,536	21,534
Total funds				<u>67,408</u>	<u>38,113</u>

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

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

The trustees acknowledge their responsibilities for

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

The notes form part of these financial statements

King's Lynn Festival Limited (Registered number: 03468735)

Balance Sheet - continued
31st March 2022

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

The financial statements were approved by the Board of Trustees and authorised for issue on 3rd November 2022 and were signed on its behalf by:

Mrs A J Croose - Trustee

Mr A J Williams - Trustee

The notes form part of these financial statements

King's Lynn Festival Limited

Cash Flow Statement for the Year Ended 31st March 2022

		Year ended 31.3.22 £	Period 1.9.20 to 31.3.21 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	19,980	(15,425)
Interest paid		(17)	-
Net cash provided by/(used in) operating activities		19,963	(15,425)
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,789)	-
Interest received		23	10
Net cash (used in)/provided by investing activities		(1,766)	10
Change in cash and cash equivalents in the reporting period		18,197	(15,415)
Cash and cash equivalents at the beginning of the reporting period		165,088	180,503
Cash and cash equivalents at the end of the reporting period		183,285	165,088

The notes form part of these financial statements

King's Lynn Festival Limited

Notes to the Cash Flow Statement for the Year Ended 31st March 2022

1. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Year ended 31.3.22 £	Period 1.9.20 to 31.3.21 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	29,295	(16,776)
Adjustments for:		
Depreciation charges	656	144
Interest received	(23)	(10)
Interest paid	17	-
Decrease in debtors	61	238
(Decrease)/increase in creditors	(10,026)	979
Net cash provided by/(used in) operations	19,980	(15,425)

2. Analysis of changes in net funds

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	165,088	18,197	183,285
	<u>165,088</u>	<u>18,197</u>	<u>183,285</u>
Total	<u>165,088</u>	<u>18,197</u>	<u>183,285</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31st March 2022**

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

2. Donations and legacies

			Year ended 31.3.22	Period 1.9.20 to 31.3.21
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Sponsorship	20,700	-	20,700	-
Donations	41,958	-	41,958	550
Gift aid	5,537	-	5,537	-
Grants	106,168	-	106,168	23,067
	<u>174,363</u>	<u>-</u>	<u>174,363</u>	<u>23,617</u>

Grants received during the year are as follows:

	Year ended 31.3.22	Period 1.9.20 to 31.3.21
	£	£
Norfolk County Council	4,765	2,780
KL & WNBC	27,801	15,103
Arts Council of England - East	67,348	-
Creative Arts East	6,254	-
Pandemic grants	-	5,184
	<u>106,168</u>	<u>23,067</u>

3. Investment income

			Year ended 31.3.22	Period 1.9.20 to 31.3.21
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Deposit account interest	21	2	23	10
	<u>21</u>	<u>2</u>	<u>23</u>	<u>10</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

4. Income from charitable activities

		Year ended 31.3.22 £	Period 1.9.20 to 31.3.21 £
Activity			
Box office and other performance related income	Festival activities	36,101	146
Box office and other performance related income - Winter series	Festival activities	25,479	-
		<u>61,580</u>	<u>146</u>

5. Raising funds

Raising donations and legacies

	Unrestricted funds £	Restricted funds £	Year ended 31.3.22 Total funds £	Period 1.9.20 to 31.3.21 Total funds £
Arts Council Grant expenditure	<u>14,857</u>	<u>-</u>	<u>14,857</u>	<u>-</u>

6. Charitable activities costs

	Direct Costs £	Support costs (see note 7) £	Totals £
Festival activities	<u>188,943</u>	<u>2,871</u>	<u>191,814</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

7. Support costs

Governance costs
£
<u>2,871</u>

Festival activities

8. Net income/(expenditure)

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

	Year ended 31.3.22	Period 1.9.20 to 31.3.21
	£	£
Depreciation - owned assets	<u>656</u>	<u>144</u>

9. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the period ended 31st March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the period ended 31st March 2021.

10. Staff costs

	Year ended 31.3.22	Period 1.9.20 to 31.3.21
	£	£
Wages and salaries	43,539	19,080
Other pension costs	8,854	5,206
	<u>52,393</u>	<u>24,286</u>

The average monthly number of employees during the year was as follows:

	Year ended 31.3.22	Period 1.9.20 to 31.3.21
Administration	<u>4</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

11. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted fund £	Total funds £
Income and endowments from			
Donations and legacies	23,617	-	23,617
Charitable activities			
Festival activities	146	-	146
Investment income	9	1	10
Total	<u>23,772</u>	<u>1</u>	<u>23,773</u>
Expenditure on			
Charitable activities			
Festival activities	40,549	-	40,549
NET INCOME/(EXPENDITURE)	(16,777)	1	(16,776)
Reconciliation of funds			
Total funds brought forward	33,356	21,533	54,889
Total funds carried forward	<u>16,579</u>	<u>21,534</u>	<u>38,113</u>

12. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1st April 2021	3,576
Additions	1,789
At 31st March 2022	<u>5,365</u>
Depreciation	
At 1st April 2021	2,740
Charge for year	656
At 31st March 2022	<u>3,396</u>
Net book value	
At 31st March 2022	<u>1,969</u>
At 31st March 2021	<u>836</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

13. Debtors: amounts falling due within one year

	2022	2021
	£	£
Trade debtors	1,281	1,347
Other debtors	29	24
	<u>1,310</u>	<u>1,371</u>

14. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	11,979	6,238
Social security and other taxes	792	678
Pension	7,956	8,075
Deferred income	25,079	39,455
Accrued expenses	5,000	6,386
	<u>50,806</u>	<u>60,832</u>

15. Provisions for liabilities

The company is currently a member of NEST occupational pension scheme. Individual entitlement if any to employer contributions to an approved personal pension plan is specified in the relevant contract of employment.

Total contributions paid in the year amounted to £1,342 (2021: £824).

Provision for future liabilities:

Within 12 months £8,075 (2021 £8,305)

After 12 Months £68,350 (2021 £68,350)

Contingencies- Pension

The Kings Lynn Festival Limited is a member of the Pension Scheme for Administration and Technical Staff in the Arts. The scheme was closed to future accrual in December 2012.

Results of an actuarial valuation as at 31st March 2019 showed that the Scheme remains in significant deficit. The proportion of the deficit attributable to The Kings Lynn Festival Limited following the previous actuarial valuation as at 31st March 2016 was estimated at £76,000. This liability has been fully provided for in the balance sheet.

Under the recovery programme agreed with the Trustees of the Scheme, the Trustees of Kings Lynn Festival Limited will continue to make payments towards the deficit of £626 per month until July 2024

Due to the number of employers contributing to the Scheme, it is not possible at 31 March 2022 (or March 2021) to identify the share of underlying assets and liabilities of the Scheme that are separately attributable to the Charity. Under the provisions of Financial Reporting Standard 17, the accounts have therefore been prepared on the basis that the Scheme qualifies as a Multi-Employer Scheme and pension costs are disclosed in line with the requirements for a defined contribution Scheme.

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

16. Movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	16,579	29,293	45,872
Restricted funds			
Ruth Fermoy memorial fund	21,534	2	21,536
TOTAL FUNDS	<u>38,113</u>	<u>29,295</u>	<u>67,408</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	235,964	(206,671)	29,293
Restricted funds			
Ruth Fermoy memorial fund	2	-	2
TOTAL FUNDS	<u>235,966</u>	<u>(206,671)</u>	<u>29,295</u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	33,356	(16,777)	16,579
Restricted funds			
Ruth Fermoy memorial fund	21,533	1	21,534
TOTAL FUNDS	<u>54,889</u>	<u>(16,776)</u>	<u>38,113</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

16. Movement in funds - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	23,772	(40,549)	(16,777)
Restricted funds			
Ruth Fermoy memorial fund	1	-	1
TOTAL FUNDS	<u>23,773</u>	<u>(40,549)</u>	<u>(16,776)</u>

17. Related party disclosures

There were no related party transactions for the year ended 31st March 2022.