

REGISTERED COMPANY NUMBER: 03525877 (England and Wales)
REGISTERED CHARITY NUMBER: 1107790

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

FKCA Limited
260 - 270 Butterfield
Great Marlings
Luton
Bedfordshire
LU2 8DL

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

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for the Year Ended 31 MARCH 2021**

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LUTON CARNIVAL ARTS DEVELOPMENT TRUST

REFERENCE AND ADMINISTRATIVE DETAILS
for the Year Ended 31 MARCH 2021

TRUSTEES	Mr A W Isles Mr R G Renwick Mr H J Walker Ms A E Binks Dr V V Cuffy
REGISTERED OFFICE	3 St Mary's Road Luton Bedfordshire LU1 3JA
REGISTERED COMPANY NUMBER	03525877 (England and Wales)
REGISTERED CHARITY NUMBER	1107790
AUDITORS	FKCA Limited 260 - 270 Butterfield Great Marlings Luton Bedfordshire LU2 8DL
BANKERS	Bank of Scotland PO Box 1000 BX2 1LB

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

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 31 March 2021. 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).

The trustees are pleased to present their annual Trustees' report together with the financial statements of the charity for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

OBJECTIVES AND ACTIVITIES

Objectives, vision and aims

The charitable objectives of Luton Carnival Arts Development Trust (also known as the UK Centre for Carnival Arts - UKCCA), as set out in its memorandum and articles of association, are to advance, promote, encourage and develop public education, appreciation of and participation in carnival arts and the crafts and traditions which serve carnival arts. The Trust has essentially been established to raise the status of carnival arts to a level enjoyed by other art forms.

The Vision for the UK Centre for Carnival Arts

Our Vision is to see Carnival universally recognised as a leader of artistic excellence and inclusive cultural expression.

The Mission of the UK Centre for Carnival Arts

Our Mission is to achieve our Vision by:

- Championing high quality art that is ambitious, challenging and innovative
- Connecting, inspiring and strengthening the Carnival arts sector across the UK
- Uniting, supporting, developing and sustaining the cultural and artistic infrastructure of Luton.

Aims of the UK Centre for Carnival Arts

- To build a more inclusive Carnival arts sector and to position UK Carnival arts as leading the world in quality and inclusivity;
- To support the element of risk and innovation in making excellent art and celebrating ambition and the creative process, as well as the finished product;
- To celebrate, promote and sustain traditional Carnival arts skills and the diverse heritage of Carnival traditions across the UK;
- To embed a culture of philanthropy, fundraising and sustainability in the organisation and to share this learning to strengthen with the wider sector;
- Through developing strategic partnerships across the Carnival sector and between Carnival and other cultural sectors, strengthen and up-skill Carnival arts in the UK; and
- To engage and excite diverse audiences and participants.

Key Funders

The UKCCA is indebted to its funders and sponsors, who together provide significant and highly valued support for the organisation's activities. The Arts Council of England provides funding to support the Trust's artistic ambitions and development programmes for public benefit. Additional funders and sponsors during the year include Luton Borough Council, London Luton Airport Ltd.

Luton Borough Council, East of England Development Agency, European Regional Development Fund, and the Arts Council of England have previously provided a total of £7.2m for the building of the first UK Centre for Carnival Arts.

Public benefit

As described above, the objectives of the UKCCA are to advance, promote, encourage and develop public education, appreciation of and participation in carnival arts and the crafts and traditions which serve carnival arts.

By taking a community art form and giving it a wider, regional, national and international audience, the Trust's ambition is to increase opportunities and raise the status of community-based Carnival groups.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit including the guidance on public benefit and fee charging. In setting the level of fees and charges for its activities and events the trust gives careful consideration to accessibility for those on low income.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Overview

During 2020/21 the UKCCA entered its third year as part of the Arts Council National Portfolio of arts organisations (an NPO). Throughout the year UKCCA was unable to operate normally because of the the UK Government response to the Covid-19 pandemic and the restrictions that were placed on the general population and businesses such as ours. The restriction on our business operations remained in place for the whole of the financial year 2020/21.

Luton International Carnival 2020

Preparations for Luton International Carnival 2020 began in September/October 2019. However, with the announcement of national restrictions on movement and businesses UKCCA decided to initially postpone and finally cancel the event for 2020.

We celebrated the 75th Anniversary of VE Day with a series of online activities, and what would have been Luton Carnival day we celebrated online by presenting footage from previous years carnival supported by a well-received social media campaign.

Discovering & Nurturing new talent

UKCCA tried as best it could to support our existing and emerging groups and artists by allowing them to collect materials from our centre so they could do some work at home.

Artists were re-focussed developing their skills in order to produce online activities.

Work Experience Placements

We were unable to do any of this activity during the year.

Master Classes and Community Workshops

These did not take place.

School workshops

Although some schools were open for some periods of 2020-21, there was appetite within the schools to admit external personnel into the schools to run workshops.

Community Programmes

Our entire in-house community programme stopped because of Covid-19 regulations. These have not yet restarted because of nervousness within the community.

Support for the Carnival Sector nationally and in Luton

UKCCA has continued to meet online with local carnival artists and Mas bands which together form the Luton Association of Mas (LAM), providing support and advice on their costume making activities at home.

Strategic Development Project

Following on from discussions with ACE Regional office UKCCA were granted funding of £40,000 in order to conduct a 'root & branch' review of the organisation. The project was scoped out during 2020 and UKCCA advertised for organisations that would be interested in doing this work. Shortlisted candidates were interviewed by a panel consisting of ACE, UKCCA Board and an independent Luton based Arts organisation. Contracts were signed in early 2021 and the project is currently concluding.

Recommendations from the Strategic Development Project have already been implemented. Namely, delivering a high calibre Executive Director (CEO) to lead the organisation (October 2021), a Finance Manager (October 2021). We have also recruited a Fundraising consultant to deal with the immediate fundraising requirements and a Governance consultant to assist the board to return to a more strategic mode rather than being operational. Both these post were in place in October 2021.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

FINANCIAL REVIEW

Financial Review

This year was the UKCCA's third year receiving funding from the Arts Council England as an NPO organisation.

Unrestricted reserves at the year-end were in deficit of £26,722 (2020: £34,578) and cash reserves of £62,097 (2020: £75,301). Restricted funds at the year-end were £4,525,334 (2020: £4,588,108) which is split by restricted fund of £58,170 (2020: £10,938) and designated funds of £4,467,164 (2020: £4,577,170).

Support costs were allocated by square metre, number of staff (equivalent bodies) and time usage of the centre. In previous years the running costs of the centre have been apportioned by staff equivalent bodies and square footage.

However the Trustees are of the opinion that by apportioning these costs in this way the accounts reflect a more accurate picture of how resources have been utilised against activity. A total of £191,508 (2020: £212,826) support costs were allocated to charitable and trading activities.

The main income streams generated by trading activities were £39,948 (2020: £85,349) venue hire and £167 (2020: £72,498) bars and catering. The Board made the strategic decision that the UKCCA would remain an arts venue based organisation and therefore the majority of the support costs apportioned to the trading activities would be incurred whether or not the trading activities had taken place.

Incoming Resources and Resources Expended

Incoming resources from all sources including bank interest and sundry income was £326,940 (2020: £495,186).

Resources expended during the year totalled £381,858 (2020: £818,484).

Principal funding sources

During the year London Luton Airport gave a donation of £27,500 and provided £100,000 sponsorship for the Luton Carnival.

During the year the Arts Council provided funding of £150,000 plus £1.84% uplift which was used to support activities relating to Carnival delivery, but also to ensure the organisation survived.

Investment policy

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short term, so there are few funds for long term investment. Grants received in advance are deposited in a high interest account to maximise return on these funds.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

FINANCIAL REVIEW

Reserves policy

The Management Committee has examined the charity's requirements and feels it would be prudent to keep the minimum level of the general reserves at the equivalent of three months operating costs to protect the trust against delays in receiving grants and the possible reduction in income streams. Reserves are currently not at the desired level and the trustees are working hard in order to rebuild the level of reserves.

By the time a community project is completed its restricted reserves should be nil. All project expenditure is budgeted for the whole of the project and then by financial year and any income received in advance is brought forward in reserves to cover future year's expenditure.

The charity also receives grants for the purchase of fixed assets which are depreciated over their estimated useful lives. The trustees have created a designated fund to reflect the book value of assets. This fund is used to fund future depreciation charges over the estimated useful life of the asset.

The levels of reserves will be recalculated and reviewed by the trustees annually.

Funds in Deficit

The trustees recognise that it is a matter of concern that unrestricted reserves ended the year in deficit. This is due to several factors. The unexpected higher costs of delivering a high quality LIC 2019 exceeded the budget set for the event. In addition the UKCCA debtors list reflected a number of historical debts that had unfortunately accumulated during UKCCA commercial venue rental business. The trustees felt that it would be very unlikely that these debts would ever be recovered and therefore it was prudent to write them off.

As LIC 2020 was cancelled, funding received for the carnival was deferred to cover the cost of future carnivals. However, UKCCA still incurred costs towards LIC 2020 and running costs usually apportioned to the carnival. The trustees also recognise that due to staff turnover and poor financial information, they had not managed to keep the organisation overheads and LIC 2019 carnival costs within the resources available and should have made more timely cuts to these items of expenditure.

Building back reserves

UKCCA has plans to rebuild reserves over a 3-5-year period, taking into account the impact the Covid-19 pandemic has had on the organisation's activity in 2020-21. We retain the support of our key stakeholder Arts Council England, which continues to support UKCCA through National Portfolio Funding of £150,000 annually. Arts Council England has additionally offered support from Managed Funds of £40,000 in 2020-21 designated for additional consultancy support. Consultants have been appointed and as part of their role are developing a new business model for the organisation. The work includes fundraising to support activity and infrastructure, making cost savings and improving organisational systems and management. A business plan for 2021-22 has been submitted and approved by Arts Council England, ensuring continued NPO funding, and this will be followed by a further business plan for 2022-23 to be submitted in September 2021.

Fundraising activity undertaken with the consultants has already raised £95,000 from Arts Council England Cultural Recovery Funds and £20,000 from Bedfordshire and Luton Community Trust both of these for 2021-22, a further £20,000 from Bedfordshire and Luton Community Trust for 2022-23 has also been secured.

UKCCA target for reserves remains at the equivalent to three months operational costs and in the period noted above we expect to achieve or exceed this level of reserves.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

FINANCIAL REVIEW

Going concern

The UKCCA continues to have the support of the Arts Council England with the NPO agreement in place until March 2022. The Arts Council have provided additional support to UKCCA by funding a strategic development review of the organisation, a root and branch look at the organisation in order to strengthen it. As part of this strategic project, the chosen consultants raised funding from the Cultural Recovery Fund and from Bedfordshire & Luton Community Fund; and developed, with the trustees a business plan for Arts Council to extend the NPO funding until March 2023. Further outcomes from the Strategic Development project was the recruitment of a Executive Director (CEO), Fundraiser and a Governance Consultants in October 2021, and a Finance manager in December 2021. The organisation now has the capacity to manage its activities effectively.

To date UKCCA has been successful in expressing interest in the latest Arts Council Capital Expenditure fund and we are currently completing the application in order to repair the main roof.

A programme has been agreed with the governance consultant to recruit new trustees at the beginning of the next calendar year, in order to refresh the board.

With additional support from London Luton Airport Ltd, we plan a smaller but impactful carnival for 2022, which will be centred on the town centre to save costs, while providing an appropriate celebration for the Queens Platinum Jubilee. The National Children's Carnival Week for 2021 was very successful and UKCCA has been encouraged to put in an application for the national project for 2021/22.

The strategic development project has been very useful to UKCCA and, together with the pause due to the Covid pandemic, has provided the opportunity for the organisation to reflect, regroup and get back on track, ready for the next exciting stage in its recovery.

The Arts Council continue to be extremely supportive to Arts organisations and have appreciated that, in the main, Arts organisations will be unable to produce their usual artistic output during 2020/21 while operating under current COVID-19 restrictions. Therefore, the trustees are confident that the UKCCA will continue to receive the NPO funding until March 2023. Luton Council with funding from LLAL has also been a supportive partner to UKCCA, supporting through additional funds the staging of Luton International Carnival.

The UKCCA has been unable to operate its hire rental business and has budgeted for 2021/22 and 2022/23 without this income stream. Due to the aforementioned information the trustees remain confident that the UKCCA is a going concern.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

FUTURE PLANS

Following on from the departure of our Managing Director in March 2020, the Strategic development project funded by ACE have enabled us to recruit consultants to assist the board in review and revisioning the organisation. As a result, we have made a number of notable development including, develop agreed business plan and budgets for 2021-22, draft business plan 2022-23 to support NPO expansion for that year, successful application for CRF2 and BLCF Recovery funding. We have also, during October 2021 recruited an interim Executive Director to lead the organisation, a finance manager, engaged a fundraising consultant and a governance consultant to support the board to return to more strategic activity rather than day-day operation of the organisation.

The UKCCA will maintain and develop our established and productive partnerships with Luton Borough Council, London Luton Airport, EMCCAN, CAMF, St Paul's Carnival, the New Carnival Company, Rotherham & Sheffield Carnivals, Mahogany, Rampage Mas CIC, ACE, University of Bedfordshire, Luton Music Service, Luton Culture, Revolution Arts, Luton BID, HLF, NHS and numerous schools and colleges. We will continue to develop artistic content, educational potential, preservation and sharing of Carnival traditions and income generation from our key programme areas. During the Covid-19 lockdown, UKCCA engaged in a number of online forums which were instrumental in maintaining morale, keeping up to date with the latest changes in government regulations, exchanging ideas with peer organisations and planning post pandemic activities.

Values-led Programming

A values-based approach to planning has been embedded in the organisation since late 2013/14, living and breathing our values of integrity, ambition and inspiration, inclusivity and creative excellence. Our values are shaping the charity's future, leading us to focus and develop work only where there are clear synergies between our values and those of stakeholders.

Luton International Carnival

The Carnival has become the central plank of the organisation's Artistic Programme, based around Luton's more than 40 year tradition of Luton International Carnival, with which UK Centre for Carnival Arts has been deeply involved since the inception of our organisation. As sole producers of the event since autumn 2013, we have secured significant repeat corporate sponsorship and unrestricted local authority donations for the coming year, plus other regular trading income from Luton International Carnival. This annual, landmark event, which kicks off the summer carnival season in the UK, will continue to be the showcasing platform for new art developed in our purpose-built carnival spaces at the centre, via artist residencies, master classes, Mas Camp, workshops and young people's programmes.

Arts Projects

Arts projects will be funded on a project-by-project basis. We will be approaching a wide variety of trusts, foundations and statutory funders for national, regional and local arts activities based at the Centre itself as well as outreach work, ensuring audience development and artist development is always embedded in our arts projects. These projects are full cost recovery modelled; they ensure partnership investment and are supported by expand-contract staffing. While there will be a smaller programme than in the past, through fewer but higher quality arts events we can grow the organisation's programme from modest roots to something that attracts increased investment in the future while maintaining our links with the local and regional carnival arts scene and nurturing one or two national projects in partnership with other arts organisation.

We will also be further exploring the opportunities for commercially funded artist projects which enable us to showcase carnival arts for a commercial return.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 12th March 1998 and registered as a charity on 25th January 2005. 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. In the event of the company being wound up members are required to contribute an amount not exceeding £10.00.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

All Trustees of the company are also directors of the charity and there are no other directors. Trustees at the date of this report are listed on the opening page. There are currently five Trustees. On appointment each Trustee signs a code of conduct and completes a register of interests. The latter is renewed annually. Trustees are given a copy of Trustees' Handbook on appointment that includes the M&A of association, policies and procedures. At the annual general meeting one third of the directors shall retire from office but are eligible for re-election. The Trustees are elected by the members at the annual general meeting.

Induction and training of new Trustees

The Trustees are provided with an induction training pack on appointment. Trustees are expected to familiarise themselves with the Business Plan of the Trust, the Staff Handbook and Artistic aims and objectives.

Organisational structure

The management of the charity is the responsibility of the Trustees. The Trustees appoint the Chief Executive Officer (CEO) who is responsible for planning and developing the services and strategies of LCADT within clear policies and protocols set by the Trustees. The CEO sits on the management committee but has no voting rights; they also lead on the day to day management of the organisation.

The Board have three subcommittees; Finance & Facilities, Fundraising & Sponsorship and Artistic, Creative Learning & Marketing. The Sub Committees meet on quarterly bases and do not have the authority to ratify proposals but make recommendations to The Board of Trustees, which also meet on a quarterly basis. Sub-committee meetings are currently subsumed into the board meeting.

Our structure provides for three heads of department who report to the CEO, the Head of Finance & Resources who is responsible for the Trust's Accounting and Financial management systems as well as IT, HR, Administration and Community Projects; the Business Centre Manager who is responsible for Trading activities and Facility management and the Artistic Director who is responsible for the trust's Artistic Programme. During the year, the role of CEO was fulfilled by Hopeton Walker, who also took responsibility for Finance & Resources.

Related parties

The Chair of Trustees, Hopeton Walker, is currently the acting CEO of the UKCCA, in an unpaid voluntary capacity. However, during late 2021 operational handover to the new Executive Director had begun. The Board would like to express its thanks to Hopeton for the significant amount of time and effort he devotes to the management and leadership of the organisation.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The serious design & constructions issues affecting the roof of the main auditorium and subsequent closure of the main auditorium on 1st October 2019 required the Board to review the current risks of the organisation. The main risk identified was the reduction of income from the hire of the space and the costs required to remedy the problems with the roof. Failure to address these risks would place the organisation in a difficult position with regards its financial stability.

The Board put in place a number of strategies to mitigate this risk during 2018/19 and has continued to pursue these strategies the following financial periods. This includes ceasing all large-scale events in the venue, a restructuring of the staff to reduce costs and to refocus available skills, and developing a fund-raising plan for replacement of the main auditorium roof.

The organisation was successful in its expression of interest in the ACE Capital Expenditure application. The whole team, led by the Executive Director are currently working on the funding application to redevelop the roof of the centre.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

RESPONSE TO COVID-19

The first impact of the COVID-19 pandemic was the forced postponement of Luton International Carnival 2020 to later in the year and its eventual cancellation as the pandemic approached a second spike in the UK. This was agreed with our major funders with a view to holding an event in 2021. Nevertheless, we were able to deliver some arts online content to mark VE Day and on our original carnival date in May 2020.

Within three weeks of the announcement of the first national lockdown, due to COVID-19, we furlough all staff except our Business Manager and Caretaker. These two maintained a watch on the finances and tenants, who were still paying rent and attending the centre.

During July 2020, we were successful in an application to the Heritage Lottery Recover Fund which we used to provide updates to our online presence which also enabled the acquisition of cameras, laptops, online streaming capabilities and furniture to support staff who were later working from home. We took artistic staff off from furlough during August-November to start to get prepared for the delivery of some community and schools' activities from September 2020. This fund also allowed us to add some COVID resilience to the building by installing small kitchenettes in each of the four offices we rent out, thus securing that rental income going forward.

Staff were able to deliver several online projects based cultural events relevant to Luton, including EID, Diwali, Black History Month, Christmas, and Chinese New Year. The team are working on activities for St Patricks and Easter 2021.

We continue to plan for carnival activities later in 2021. Although the COVID-19 vaccine is being rolled out, we are not confident that our usual outdoor carnival event will be safe for 2021 so plans are in place for a National Schools' Carnival programme which comes with the blessing of our funders. This should allow us to celebrate carnival with each school within their own bubbles and the creation of costumes for a week of carnival celebrations. This has now been adopted by several national carnivals as part of a National Children's Carnival Week 12th -18th July 2021. We feel that this schools' engagement programme will prepare us for the return of Luton International Carnival May 2022 as a large event predominantly for children and young people and celebrating the Queen's Jubilee 2022.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Luton Carnival Arts Development Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on and signed on its behalf by:

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

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Mr H J Walker - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LUTON CARNIVAL ARTS DEVELOPMENT TRUST

Opinion

We have audited the financial statements of Luton Carnival Arts Development Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LUTON CARNIVAL ARTS DEVELOPMENT TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff and the board of trustees to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Tara Aldwin ACA (Senior Statutory Auditor)
for and on behalf of FKCA Limited
260 - 270 Butterfield
Great Marlings
Luton
Bedfordshire
LU2 8DL

10 December 2021

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	Designated Funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	76,759	188,759	-	265,518	198,636
Charitable activities	6					
Creative Learning		1,300	-	-	1,300	2,365
Other trading and sponsorship activities	4	60,115	-	-	60,115	294,180
Investment income	5	7	-	-	7	5
Total		<u>138,181</u>	<u>188,759</u>	<u>-</u>	<u>326,940</u>	<u>495,186</u>
EXPENDITURE ON						
Raising funds	7	1,371	-	-	1,371	160,532
Charitable activities	8					
Luton International Carnival		-	29,199	-	29,199	234,661
Creative Learning		2,855	16,160	-	19,015	71,159
Artistic Programme		15,627	60,169	-	75,796	120,656
Trading Activities		110,472	-	110,005	220,477	231,476
Artreach		-	36,000	-	36,000	-
Total		<u>130,325</u>	<u>141,528</u>	<u>110,005</u>	<u>381,858</u>	<u>818,484</u>
NET INCOME/(EXPENDITURE)		<u>7,856</u>	<u>47,231</u>	<u>(110,005)</u>	<u>(54,918)</u>	<u>(323,298)</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		(34,578)	10,938	4,577,170	4,553,530	4,876,828
TOTAL FUNDS CARRIED FORWARD		<u>(26,722)</u>	<u>58,169</u>	<u>4,467,165</u>	<u>4,498,612</u>	<u>4,553,530</u>

The notes form part of these financial statements

LUTON CARNIVAL ARTS DEVELOPMENT TRUST (REGISTERED NUMBER: 03525877)

**BALANCE SHEET
31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	Designated Funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS						
Tangible assets	14	18,058	-	4,467,165	4,485,223	4,585,311
Investments	15	1	-	-	1	1
		<u>18,059</u>	<u>-</u>	<u>4,467,165</u>	<u>4,485,224</u>	<u>4,585,312</u>
CURRENT ASSETS						
Debtors	16	41,955	36,000	-	77,955	44,335
Cash at bank and in hand		<u>3,927</u>	<u>58,170</u>	<u>-</u>	<u>62,097</u>	<u>75,301</u>
		45,882	94,170	-	140,052	119,636
CREDITORS						
Amounts falling due within one year	17	(90,663)	(36,000)	(1)	(126,664)	(151,418)
		<u>(44,781)</u>	<u>58,170</u>	<u>(1)</u>	<u>13,388</u>	<u>(31,782)</u>
NET CURRENT ASSETS/(LIABILITIES)						
		(26,722)	58,170	4,467,164	4,498,612	4,553,530
TOTAL ASSETS LESS CURRENT LIABILITIES						
		<u>(26,722)</u>	<u>58,170</u>	<u>4,467,164</u>	<u>4,498,612</u>	<u>4,553,530</u>
NET ASSETS						
		<u>(26,722)</u>	<u>58,170</u>	<u>4,467,164</u>	<u>4,498,612</u>	<u>4,553,530</u>
FUNDS	20					
Unrestricted funds					(26,722)	(34,578)
Restricted funds					<u>4,525,334</u>	<u>4,588,108</u>
TOTAL FUNDS					<u>4,498,612</u>	<u>4,553,530</u>

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 and were signed on its behalf by:

.....
Mr H J Walker - Trustee

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

**CASH FLOW STATEMENT
for the Year Ended 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(7,872)	55,342
Net cash (used in)/provided by operating activities		(7,872)	55,342
Cash flows from investing activities			
Purchase of tangible fixed assets		(19,739)	-
Interest received		7	5
Net cash (used in)/provided by investing activities		(19,732)	5
Change in cash and cash equivalents in the reporting period		(27,604)	55,347
Cash and cash equivalents at the beginning of the reporting period	2	75,301	19,954
Cash and cash equivalents at the end of the reporting period	2	47,697	75,301

The notes form part of these financial statements

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 MARCH 2021**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(54,918)	(323,298)
Adjustments for:		
Depreciation charges	119,827	206,111
Interest received	(7)	(5)
(Increase)/decrease in debtors	(33,620)	104,387
(Decrease)/increase in creditors	(39,154)	68,147
Net cash (used in)/provided by operations	<u>(7,872)</u>	<u>55,342</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	193	2,450
Notice deposits (less than 3 months)	61,904	72,851
Overdrafts included in bank loans and overdrafts falling due within one year	(14,400)	-
Total cash and cash equivalents	<u>47,697</u>	<u>75,301</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	75,301	(13,204)	62,097
Bank overdraft	-	(14,400)	(14,400)
	<u>75,301</u>	<u>(27,604)</u>	<u>47,697</u>
Total	<u>75,301</u>	<u>(27,604)</u>	<u>47,697</u>

The notes form part of these financial statements

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements and consolidation

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, with the exception of investments which are included at market value.

Going concern

The UKCCA continues to have the support of the Arts Council England with the NPO agreement originally in place until March 2022 now extended until March 2023.

The Arts Council have been extremely supportive to Arts organisations and have appreciated that in the main, Arts organisations will be unable to produce their usual artistic output while operating under current COVID-19 restrictions. With this in mind the trustees are confident that the UKCCA will continue to receive the NPO funding until March 2023.

Due to the closure of the main auditorium and more recent COVID-19 restrictions, UKCCA has not been able to generate hire income to the levels achieved in previous years. The Trustees have made appropriate cost saving measures as a result of this.

At the date of signing the UKCCA remains liquid. Revenue support from Arts Council England is sustained as is earned income through rentals. Recent successful fundraising, noted in the Trustee report, supports operations and together with a reduced programme of activity due to the pandemic, contributes to stability of UKCCA's finances. The Trustees are confident that current liabilities can be met including the commitment to deliver activity supported by Luton Borough Council.

With the above in mind, the going concern basis has been adopted and the Trustees are satisfied that the charity will continue providing services for at least 12 months.

The presentational currency is sterling (£).

Preparation of consolidated financial statements

The wholly owned subsidiary was dormant for the year ended 31 March 2021 and for the prior year. On this basis consolidated accounts are not prepared.

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. All incoming resources are stated net of VAT where applicable.

Government grants received in respect of revenue items are included in the Statement of Financial Activities in the period to which the relevant expenditure relates.

Luton Carnival Arts Development Trust Received government assistance during the Covid 19 pandemic amounting to £25,560.

Voluntary income is received by way of grants and gifts in kind and is included in full in the Statement of Financial Activities when receivable.

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

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.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Charitable activities

Charitable expenditure comprises of those costs incurred by the charity in the delivery of its activities and services for the beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature to support them.

Allocation of overhead and support costs

Support costs are allocated on the following basis:

Building running costs	- Square metre between office and centre overheads
Centre overheads	- Time usage of centre
Organisation costs	- Number of staff (equivalent bodies)
Office Costs	- Number of staff (equivalent bodies) and time usage of centre
Support Staff	- Allocated on time
Governance	- Number of staff (equivalent bodies)

Tangible fixed assets

All assets costing more than £250 capitalised and all assets are valued at historic cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Land	-	100 years Straight Line
Leasehold Building	-	50 years Straight Line
Plant & Machinery	-	10 years Straight Line
Fixtures & Fittings	-	4 years Straight Line

All expenditure for the building of the national centre is capitalised from the capital projects.

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.

The charity also received grants for the purchase of fixed assets which are depreciated over their estimated useful lives. The trustees have created a designated fund to reflect the book value of assets. This fund is used to fund future depreciation charges over the estimated useful life of the assets.

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

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021**

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are describe in the notes to financial statements, the Directors are required to make judgements, estimates and assumptions about the allocation of income and expenditure.

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

3. DONATIONS AND LEGACIES

	2021 £	2020 £
Grants	265,518	198,636
	<u>265,518</u>	<u>198,636</u>

4. OTHER TRADING AND SPONSORSHIP ACTIVITIES

	2021 £	2020 £
Bar & Catering & Vending Machine Income	167	72,498
Hire Fees	39,948	85,349
Co-Promotion ticket sales & Box office charges	-	498
London Luton Airport	20,000	120,000
Stall Hire at Artistic Events	-	15,835
	<u>60,115</u>	<u>294,180</u>

5. INVESTMENT INCOME

	2021 £	2020 £
Deposit account interest	7	5
	<u>7</u>	<u>5</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Workshops	1,300	2,365
	<u>1,300</u>	<u>2,365</u>

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

7. RAISING FUNDS

Other trading activities

	2021	2020
	£	£
Purchases	-	15,305
Marketing, communications and websites	-	3,960
Equipment hire	49	1,500
Fixtures	-	122
Repairs and renewals	723	1,026
H&S and Security	-	16,733
Banking costs	-	1,555
Staff costs	599	71,615
Technical support	-	20,449
Event management	-	3,613
Arts fees and materials	-	2,289
Bad debts	-	20,299
Licences	-	2,066
	<u>1,371</u>	<u>160,532</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 9) £	Totals £
Luton International Carnival			
	29,199	-	29,199
Creative Learning			
	7,406	11,609	19,015
Artistic Programme			
	610	75,186	75,796
Trading Activities	132,331	88,146	220,477
Artreach	36,000	-	36,000
	<u>205,546</u>	<u>174,941</u>	<u>380,487</u>

LUTON CARNIVAL ARTS DEVELOPMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

9. SUPPORT COSTS

	Overheads £	Organisation Costs £	Office Costs £	Totals £
Creative Learning				
	-	10,564	1,045	11,609
Artistic Programme				
	9,369	57,816	8,001	75,186
Trading Activities	48,430	27,661	12,055	88,146
	<u>57,799</u>	<u>96,041</u>	<u>21,101</u>	<u>174,941</u>

AUDITORS REMUNERATION

Auditors' remuneration for the year is £5,950 for the year (2020: £5,950). Auditors' remuneration for non-audit services for the year totals £2,450 (2020: £6,408).

10. NET INCOME/(EXPENDITURE)

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

	2021 £	2020 £
Depreciation - owned assets	119,827	206,111
Auditors' remuneration	<u>5,950</u>	<u>7,150</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

During the year travel expenses were reimbursed to one trustees (2020: two) totalling £406 (2020: £2,463).

12. STAFF COSTS

	2021	2020
Wages	104,268	160,823
Social security	3,000	8,278
Pensions	2,161	2,333
Other staff costs	561	3,325
	<u>109,992</u>	<u>174,759</u>

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

	2021	2020
Employees	<u>7</u>	<u>15</u>

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

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Designated Funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	2,634	196,002	-	198,636
Charitable activities				
Creative Learning	-	2,365	-	2,365
Other trading and sponsorship activities	294,180	-	-	294,180
Investment income	5	-	-	5
Total	<u>296,819</u>	<u>198,367</u>	<u>-</u>	<u>495,186</u>
EXPENDITURE ON				
Raising funds	160,532	-	-	160,532
Charitable activities				
Luton International Carnival				
Creative Learning	75,951	158,710	-	234,661
Artistic Programme	33,731	37,428	-	71,159
Trading Activities	29,136 119,341	- -	91,520 112,135	120,656 231,476
Total	<u>418,691</u>	<u>196,138</u>	<u>203,655</u>	<u>818,484</u>
NET INCOME/(EXPENDITURE)	<u>(121,872)</u>	<u>2,229</u>	<u>(203,655)</u>	<u>(323,298)</u>
RECONCILIATION OF FUNDS				
Total funds brought forward	87,294	8,709	4,780,825	4,876,828
TOTAL FUNDS CARRIED FORWARD	<u>(34,578)</u>	<u>10,938</u>	<u>4,577,170</u>	<u>4,553,530</u>

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

14. TANGIBLE FIXED ASSETS

	Property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 April 2020	5,806,762	918,943	589,604	7,315,309
Additions	-	-	19,739	19,739
At 31 March 2021	5,806,762	918,943	609,343	7,335,048
DEPRECIATION				
At 1 April 2020	1,227,463	917,682	584,853	2,729,998
Charge for year	112,135	1,007	6,685	119,827
At 31 March 2021	1,339,598	918,689	591,538	2,849,825
NET BOOK VALUE				
At 31 March 2021	4,467,164	254	17,805	4,485,223
At 31 March 2020	4,579,299	1,261	4,751	4,585,311

The funding agreement dated 17 September 2004 and the grant agreement dated 16 May 2007, as varied by a deed of variation dated 8 January 2007, as further varied by a deed of variation dated 4 November 2008 and as further varied by a deed of variation dated 28 January 2011 are secured by a legal mortgage by way of a fixed charge over all present and future estates, interests, rights and benefits belonging to or enuring to the company under the terms of any lease granted in respect of the freehold property; and by way of a fixed charge over all buildings and other structures on, and items fixed to the freehold property.

The funding agreement dated 8 January 2007 as varied by a deed of variation dated 25 March 2008 is secured with a fixed legal and equitable charge over all present and future rights, title and interest in, to and under the freehold property.

15. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2020 and 31 March 2021	1
NET BOOK VALUE	
At 31 March 2021	1
At 31 March 2020	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

15. FIXED ASSET INVESTMENTS - continued

UKCCA Enterprises & Events Limited

Registered office: 260 - 270 Butterfield, Great Marlings, Luton, Bedfordshire, England, LU2 8DL

Nature of business: Dormant

	%		
Class of share:	holding		
Ordinary	100		
		31.10.21	31.10.20
		£	£
Aggregate capital and reserves		1	1

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	5,491	36,676
VAT	28,603	-
Prepayments and accrued income	43,861	7,659
	<u>77,955</u>	<u>44,335</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 18)	14,400	-
Trade creditors	34,069	29,962
Social security and other taxes	7,651	7,502
VAT	-	17,955
Other creditors	2,144	7,600
Accruals and deferred income	68,400	88,399
	<u>126,664</u>	<u>151,418</u>

DEFERRED INCOME

	Grant Income £
Deferred Income brought forward at 1 April 2020	80,000
Incoming resources deferred in the current year	-
Amounts released from previous years	(20,000)
	<u>60,000</u>

Grant income is deferred as the charity is not entitled to the income until certain conditions are met.

LUTON CARNIVAL ARTS DEVELOPMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

18. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Bank overdrafts	14,400	-
	<u>14,400</u>	<u>-</u>

19. LEASING AGREEMENTS

Minimum lease receipts fall due as follows:

	2021 £	2020 £
Net obligations receivable:		
Within one year	14,984	30,694
Between one and five years	-	14,984
More than five years	-	-
	<u>14,984</u>	<u>45,678</u>

20. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	(34,578)	7,856	(26,722)
Restricted funds			
Future depreciation charges	4,577,170	(110,006)	4,467,164
Creative Learning	10,938	(7,299)	3,639
Arts Council Funding	-	54,531	54,531
	<u>4,588,108</u>	<u>(62,774)</u>	<u>4,525,334</u>
TOTAL FUNDS	<u>4,553,530</u>	<u>(54,918)</u>	<u>4,498,612</u>

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	138,181	(130,325)	7,856
Restricted funds			
Future depreciation charges	-	(110,006)	(110,006)
Creative Learning	-	(7,299)	(7,299)
Arts Council Funding	152,759	(98,228)	54,531
Artreach	36,000	(36,000)	-
	<u>188,759</u>	<u>(251,533)</u>	<u>(62,774)</u>
TOTAL FUNDS	<u><u>326,940</u></u>	<u><u>(381,858)</u></u>	<u><u>(54,918)</u></u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	87,294	(121,872)	(34,578)
Restricted funds			
Future depreciation charges	4,780,825	(203,655)	4,577,170
Creative Learning	-	10,938	10,938
Arts Council Funding	8,709	(8,709)	-
	<u>4,789,534</u>	<u>(201,426)</u>	<u>4,588,108</u>
TOTAL FUNDS	<u><u>4,876,828</u></u>	<u><u>(323,298)</u></u>	<u><u>4,553,530</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	296,819	(418,691)	(121,872)
Restricted funds			
Future depreciation charges	-	(203,655)	(203,655)
Creative Learning	48,366	(37,428)	10,938
Arts Council Funding	150,001	(158,710)	(8,709)
	<u>198,367</u>	<u>(399,793)</u>	<u>(201,426)</u>
TOTAL FUNDS	<u><u>495,186</u></u>	<u><u>(818,484)</u></u>	<u><u>(323,298)</u></u>

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	87,294	(114,016)	(26,722)
Restricted funds			
Future depreciation charges	4,780,825	(313,661)	4,467,164
Creative Learning	-	3,639	3,639
Arts Council Funding	8,709	45,822	54,531
	<u>4,789,534</u>	<u>(264,200)</u>	<u>4,525,334</u>
TOTAL FUNDS	<u>4,876,828</u>	<u>(378,216)</u>	<u>4,498,612</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	435,000	(549,016)	(114,016)
Restricted funds			
Future depreciation charges	-	(313,661)	(313,661)
Creative Learning	48,366	(44,727)	3,639
Arts Council Funding	302,760	(256,938)	45,822
Artreach	36,000	(36,000)	-
	<u>387,126</u>	<u>(651,326)</u>	<u>(264,200)</u>
TOTAL FUNDS	<u>822,126</u>	<u>(1,200,342)</u>	<u>(378,216)</u>

Purpose of funds

Future depreciation charges - This fund is to reflect the depreciation of the property over its economic useful life on the basis that funding of the building was granted and restricted.

Creative learning - This fund is for the purposes of school workshops.

Arts Council Funding - This fund is restricted specifically for the activities relating to the delivery of carnival.

Artreach - This project fund is restricted for strategic planning and implementation.

Reserves in deficit

Plans to bring reserves back into a surplus are detailed within the trustee report headed "Building back reserves".

LUTON CARNIVAL ARTS DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021**

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the 31 March 2020 and 31 March 2021

22. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Board of Trustees.

23. LEGAL STATUS OF THE CHARITABLE COMPANY

The Charitable Company is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Virtual Cabinet Portal Digital Signatures

Digital Signature Verification

You can verify that this is a genuine Virtual Cabinet Document Portal signed document by uploading it to the following secure web page:

<https://www.virtualcabinetportal.com/VerifySignedDocument>

Signature Dates and Times

All dates and times shown in the signatures below are expressed in Coordinated Universal Time (UTC), which is generally equivalent to GMT.

You can find out more about UTC at the following web page:

<http://www.virtualcabinetportal.com/WhatIsUTC>

Signature 1

Signed by Hopeton Walker using authentication code MzxePyhSM3kud0JY at IP address 81.107.40.133, on 2021/12/10 16:26:26 Z.

Hopeton Walker's e-mail address is: hopeton@carnivalarts.org.uk.

Hopeton Walker added the following comments:

"Accounts approved on behalf of the board of Luton Carnival Arts Development Trust.

Hopeton J Walker,
Chair"

Signature 2

Signed by Tara Aldwin using authentication code ZIFIVkFRSm9cQTxH at IP address 77.89.171.66, on 2021/12/10 16:57:11 Z.

Tara Aldwin's e-mail address is: tara.aldwin@fkca.co.uk.