

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

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023  
FOR  
LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

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

**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

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for the Year Ended 31 MARCH 2023**

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**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

**REFERENCE AND ADMINISTRATIVE DETAILS**  
**for the Year Ended 31 MARCH 2023**

|                                      |   |
|--------------------------------------|---|
| <b>TRUSTEES</b>                      | Mr A W Isles<br>Mr R G Renwick<br>Mr H J Walker (resigned 12.3.23)<br>Ms A E Binks<br>Mrs L G Allen (appointed 7.4.22)<br>Mr M N Walker (appointed 7.4.22)<br>Dr R N Y Owen (appointed 12.10.22)<br>Mr R Djima (appointed 14.10.22) |
| <b>REGISTERED OFFICE</b>             | 3 St Mary's Road<br>Luton<br>Bedfordshire<br>LU1 3JA  |
| <b>REGISTERED COMPANY<br/>NUMBER</b> | 03525877 (England and Wales)  |
| <b>REGISTERED CHARITY<br/>NUMBER</b> | 1107790   |
| <b>AUDITORS</b>                      | FKCA Limited<br>Statutory Auditor<br>260 - 270 Butterfield<br>Great Marlings<br>Luton<br>Bedfordshire<br>LU2 8DL  |
| <b>BANKERS</b>                       | Bank of Scotland<br>PO Box 1000<br>BX2 1LB  |

**REPORT OF THE TRUSTEES  
for the Year Ended 31 MARCH 2023**

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 2023. 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 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**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 to improve the visibility, education, understanding of the carnival arts, particularly for future generations.

**The Vision for the UK Centre for Carnival Arts**

Our Vision is to see carnival universally recognised as a leading genre 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, Luton Rising (formerly known as Luton Airport) and Bedfordshire and Luton Community Fund (Stability Fund, Community Investment Fund and Luton's Citizen Fund) and Royal Opera House Bridge Fund.

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.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 MARCH 2023**

**OBJECTIVES AND ACTIVITIES**

**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 Luton and more broadly across th UK.

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. Where possible the Trust ensures those on low income are not charged for access to activities.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 MARCH 2023**

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

**Overview**

During 2022/23 the UKCCA's delivery was as an Arts Council of England (ACE) National Portfolio Organisation (NPO) using extension funding resources allocated to organisations as the sector continued to stabilise following the COVID19 pandemic. Whilst COVID19 restrictions were no longer being implemented, the sector was still in recovery mode which resulted in lower take-up of activities and attendance figures at events.

**Luton Carnival 2022 and Planning for Luton Carnival 2023**

Preparations for Luton International Carnival 2022 began in the previous financial year. The event was the first since 2019 as the restrictions that had been imposed during the COVID19 pandemic were lifted. Working in partnership with Luton Borough Council and in support of their regeneration strategy, Luton Carnival was relocated to Luton Town centre. The event was successfully delivered with strong audience numbers following the relaxation of COVID measures. Planning for Luton Carnival 2023 began in October 2022 led by the Executive Producer, a role implemented to ensure the event was delivered economically and professionally. Working with UKCCA's Executive Director sponsorship resources were secured for Luton Carnival 2023, on a scheduled payment programme, some of which were paid in the 22/23 financial year to support preparations for Luton Carnival 2023.

**National Children's Carnival Week**

For a second year, UKCCA continued leading the delivery of this national partnership programme using the remainder of the Cultural Recovery Fund secured from the Arts Council. All the national partners organisations worked with local schools delivering a carnival arts programme which culminated in mini carnival parades in schools. The project was successful, and the partnership committed to deliver National Children's Carnival Week as an annual programme.

**Discovering and Nurturing New Talent**

UKCCA continued to support new artists which includes mentoring and training. This work was extended, and the artists were appointed to deliver art activities which formed part of the UKCCA's arts programme. One artist who had been part of the UKCCA artist development programme was also supported to establish her own independent community interest company and to secure funding to deliver carnival arts activities. UKCCA continued to provide work opportunities to artists who were part of the development programme.

**Work Experience Placements**

The organisation continued to deliver work experience placements working in partnership with schools and other educational establishments in Luton. The work experience opportunities were aligned with the delivery of key aspects of the Luton Carnival and other community event development cycles to ensure the students could report on CVs and other key employment tools that their work had featured in live arts and culture events.

**Master Classes and Community Workshops**

Community workshops and masterclasses were delivered in the building and at other organisation in Luton. Workshop and costume making activities were planned and delivered to support the build-up to both Luton Carnival 2022 and Luton Carnival 2023. These masterclasses were delivered by the UKCCA's Artist-in-Residence, Steve Hoyte of Rampage Carnival Band, who was also appointed as both the Luton Carnival 2022 and 2023 lead artist.

**Community Programmes and Events**

In-house community programmes were reintroduced to support organisations to participate in Luton Carnival. UKCCA also extended its community events' partnerships participating in Eid, Diwali, Easter, Children's Summer and Christmas Carnival Clubs, Black History Month Luton Pride and St Patrick's Day Parade.

**Support for the Carnival Sector nationally and in Luton**

UKCCA resumed its alliances with the wider carnival sector. This was principally done via the National Children's Carnival Week programme. Discussions to explore other opportunities took place with the East Midlands Caribbean Carnivals Network (EMCCAN) and London Notting Hill Carnival. We also continued to support the community organisations who are part of Luton Association of Mas (LAM) with their efforts to be part of Luton Carnival, focusing on providing expert help with the costume making activities. This work extended beyond LAM and support was provided to organisations like Pride in Luton, Tokko and a range of Eastern European community groups as we assisted with their preparations to be part of Luton Carnival 2022 and 2023.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 MARCH 2023**

**ACHIEVEMENT AND PERFORMANCE**

**Fundraising**

The fundraising is viewed as a significant activity as it assists the organisation to achieve increased financial stability.

The fundraising is led by a consultancy firm, Counterculture. The programme of work is overseen by a Counterculture partner and the operational delivery is by an experienced Associate. The Associate has extensive experience of both raising capital and revenue resources from a wide range of funding sources: public funds, trusts, sponsorship, etc. The Associate is also part of the senior leadership team of a very successful cultural music organisation in the Northwest of England.

The fundraiser is not bound by a regulatory scheme. The fundraiser meets weekly with the Executive Director who leads the monitoring and oversight of all fundraising activities. The ensures the works is delivered efficiently and cost-effectively. A progress report is provided to the LCADT Board with a focus on successful bids and bids to be developed. The Board also approves all funding assigned to the fundraising activities and also approved an extension of the contract based on the successful fundraising programme being delivered. No complaints have been received.

**FINANCIAL REVIEW**

**Financial Review**

In 2022/23, UKCCA received the post-COVID extension funding provided by the Arts Council England to all NPO organisations.

Unrestricted reserves at the year-end were in surplus of £41,716 (2022: in deficit £5,952) and cash reserves of £77,689 (2022: £54,985). Restricted funds at the year-end were £4,292,175 (2022: £4,421,094) which is split by restricted fund of £49,282 (2022: £66,065) and designated funds of £4,242,893 (2022: £4,355,029).

Support costs were allocated by square metre, number of staff (equivalent bodies) and time usage of the centre. A total of £101,689 (2022: £190,103) support costs were allocated to charitable and trading activities.

**Incoming Resources and Resources Expended**

Incoming resources from all sources including bank interest and sundry income was £469,350 (2022: £380,313). Resources expended during the year totalled £550,605 (2022: £463,783).

**Principal funding sources**

The funds for Luton Carnival 2022 was secured during the 21/22 financial year. During the 22/23 financial year Luton Rising committed to provide £100,000 to support the delivery of Luton Carnival 2023. UKCCA also delivered the second year of the Bedfordshire and Luton Community Fund Stability Fund (BLCF) programme, spending £20,000 which helped the organisation to continue to consolidate UKCCA's community Engagement work. Key learning and participation work was supported by £36,200 secured from the BLCF Community Investment Fund. UKCCA also secured £4,000 from the Luton Citizen's Fund from BLCF Luton Citizen's Fund to support a carnival project with the Eastern European Communities resident in Luton. Resources secured in the previous financial years were rolled forward to support our activities.

**Investment policy**

Aside from retaining a prudent amount in reserves each year, most of the charity's funds were spent on the delivery of the activities outlined in the bids made to funders. As a result, there were few funds for long-term investment. Grants received in advance are deposited in a high interest account to maximise return on those funds.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 MARCH 2023**

**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 staff, supported by 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 levels of reserves will be recalculated and reviewed by the trustees annually.

**Building back reserves**

UKCCA has plans to rebuild reserves over a 3-5-year period. We retain the support of our key stakeholder Arts Council England, which continues to support UKCCA through National Portfolio Funding of £152,760 annually. The staff team has been consolidated to assist with the continued recovery and stabilisation of the charity. The organisation continued to be supported by an external fundraiser and has revised the role of an on-staff consultant to also support the fundraising activities which are key to business recovery. The organisation is still delivering a cost savings programme and exercising extreme financial prudence as part of the continuous improvement process. The organisation also received confirmation that it would continue to be part of the Arts Council of England National Portfolio and would receive funding for 2023-2026.

Fundraising activity generated the following additional income in the 22/23 financial year: Luton Citizen's Fund: £4,000; Luton City Council/Luton Rising: £100,000 (restricted to Luton Carnival 2023 but covering some expenditure in the 22/23 financial year); Royal Opera House Bridge £5,000, and Bedfordshire and Luton Community Foundation Community Investment Fund £36,500, Steel Trust £25,000 and Foyle Foundation £20,000 all for expenditure in the 23/24 financial year. Sponsorship and trading income of £14,420 was also secured to support the delivery of Luton Carnival 2023. The organisation also started to deliver commissioned activities around Luton and the rest of the UK to help support the financial stability and reserve building process.

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

**Going concern**

The UKCCA continues to have the support of the Arts Council England. For the 22/23 financial year we had an NPO Extension agreement in place until March 2023 courtesy of their approval of the Trust's 2022/23 Business plan the basis for the extension funding application. We also received confirmation that UKCCA would continue to receive NPO funding for 2023-2026. We also undertook extensive fundraising during the 22/23 financial year and secured resources for the 23/24 financial year, further assisting our financial stability.

Discussions also took place with the Heritage Lottery Fund regarding the resources required to make the building fully functional and we continued to work with them to explore options on the best way to resolve the issue.

With additional support from Luton Rising, Luton Carnival 2022 which Luton Borough Council has identified as the lead event for the Platinum Jubilee Celebrations was delivered successfully on 4 June 2022 in Luton Town Centre supporting Luton Borough Council's regeneration plans. This event was supported by financial resources from Luton BID which while not a large sum it was indicative of the relationship we are building with the organisation. Following delivery of Luton Carnival 2022, Luton BID committed to support Luton Carnival 2023. The National Children's Carnival Week for 2022 was very successful and UKCCA delivered the programme using the balance of Cultural Recovery Funding. The National Children's Carnival Week is now included in the ACE NPO funded programme for 2023-26.

The UKCCA was able to operate its moderate hire rental activities in areas of the building not impacted by the roof failure. Whilst this income is not significant it does demonstrate the organisation's commitment to raise income. Based on the afore mentioned information the trustees remain confident that the UKCCA is a going concern.



**REPORT OF THE TRUSTEES  
for the Year Ended 31 MARCH 2023**

**FUTURE PLANS**

The 22/23 Financial year was a period of consolidation for the new staff operational team led by the Executive Director. The organisation is now delivering in a business-as-usual fashion and as a consequence the board to returned to solely strategic activity.

UKCCA will maintain and develop our established and productive partnerships with Luton Borough Council, Luton Rising, EMCCAN, CAMF, St Paul's Carnival, the New Carnival Company, Rotherham & Sheffield Carnivals, Global Grooves, Rampage Mas CIC, Alif New Beginnings, Bridgewater Carnival, Norwich City Council, Northampton Carnival, Tokko Limited, Pride in Luton, ACE, University of Bedfordshire, Luton Music Service, Luton Culture Trust, 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. Partnership activities being delivered demonstrating the join-up across communities and the cultural programmes of the various communities include the St Patrick's Day Parade, Diwali and Black History Month and others are being delivered. This is showing the adaptability and inclusivity of the carnival artform.

**Values-led Programming**

A values-based approach to planning has been embedded in the organisation since late 2013/14, which underpins 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. This is resulting in strong collaborations and an expansion of our arts programme to embrace a wide range of communities.

**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 family-friendly event, which kicks off the summer carnival season in the UK, will continue to be the 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 working closely with schools and local costume making groups (members of LAM). This will also be the avenue to engage expert artists from across the UK, continuing the tradition of supporting carnival arts development by providing continuous professional development. We will also intersect the outreach work we are delivering using the carnival event as the public showcase for work done in schools and community groups.

**Arts Projects**

Arts projects have been funded on a project-by-project basis. The Trust's core financial resources continued to be via our NPO Extension funding from the Arts Council and the approval of the NPO funding for 2023-2026 supports our future financial viability. Building on the successful Trust Fund bid outcomes in 22/23, the Trust will continue to submit bids to 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 expanding the contracts of existing staff. The 22/23 year saw us continue to grow the arts programme continuing our post-COVID recovery. Our commitment to the delivery of high-quality carnival arts using a local, regional and national partnership model continues.

We also delivered a small number of commercial commissions in 22/23, an avenue which will be further explored to further assist our financial stability.

**Skills and Professional Development**

As a registered Arts Mark Centre UKCCA will continue to deliver development, mentoring and work placement opportunities for local residents, teachers, school children and artists. The trust recognizes the importance of supporting the next generation to deliver carnival arts expertly and professionally. This will be a key part of the Trust's delivery programme. The Royal Opera House Bridge project funding was used to deliver a training improvement programme that helped to further refine and improve our continuous professional development training and mentoring offer.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 MARCH 2023**

**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.

**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.

**New Chair**

Following the resignation of the former Chair of the Board of Trustees, Hopeton Walker, and his departure on 31 January 2023, a new Chair of the Board of Trustees was selected. The new Chair, Anthony Isles, has been associated with the Trust since the start of the charity, and he previously served as Chair. His knowledge and expertise ensured there was on-going business stability and continuity.

**Induction and training of new Trustees**

Under the supervision of the Chair and Executive Director two new Trustees were appointed to the Board and began their terms in the 22/23 financial year. The new Trustees were provided with induction training packs 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 strategic management of the charity is the responsibility of the Trustees. The Executive Director is responsible for operational planning, development and delivery of the services and strategies of LCADT within clear policies and protocols set by the Trustees. The Executive Director sits on the Board/management committee but has no voting rights. The Executive Director also leads the day-to-day operational management of the organisation.

The Board has three sub-committees: Finance & Facilities, Fundraising & Sponsorship and Artistic, Creative Learning & Marketing. The other 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 with the exception of the Finance and Facilities Sub-Committee. The Finance and Facilities meets quarterly to support the close monitoring and scrutiny of the Trust's financial affairs. Decisions made at the Finance and Facilities are ratified by the following full Board of Trustees meeting.

Our structure provides for two heads of department to report to the Executive Director, the Finance Manager who is responsible for the Trust's Accounting and Financial management systems as well as IT, HR and Facilities Management. and Community Projects and the Associate Artistic Director who is responsible for the trust's Artistic Programme and Community Projects. Following the resignation of the Business Centre Manager in the first quarter of the 22/23 financial year, the role was deleted as a cost saving measure and the key responsibilities that were still required were transferred across the remaining team members.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 MARCH 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**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 and construction 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 fundraising work to secure the required resources is being delivered by the fundraising consultant.

Discussions are continuing with the Heritage Lottery Fund on devising options which will support the Trust to resume the use the building. The Heritage Lottery Fund indicated it would support the delivery of a feasibility study/exercise to determine the best way forward.

**CONTINUED RECOVERY FROM COVID-19**

The organisation continued to restabilise following the COVID pandemic and was able to deliver its lead event, Luton Carnival, outdoors as Luton Town's lead celebration of the Queen Elizabeth II's Platinum Jubilee. The event was delivered successfully with a partnership of key agencies and supported by the Trust's key funders and sponsors.

We also continued our partnerships with organisations across Luton and we were able to deliver in person events based cultural events relevant to Luton, including EID, Diwali, Black History Month, Christmas, Chinese New Year, St Patrick's Day and Easter.

We delivered a second year of the National Children's Carnival Week programme, delivered with partners from across the UK was delivered very successfully culminating in a series of national celebrations from 7th-19th July 2022. This were delivered very successfully. The schools' engagement process also reignited interest in the carnival genre, feeding into carnival development activities many of which were used for Luton Carnival 2022. National partners and school also committed to a third year of National Children's Carnival Week and to the event becoming an annual programme.

**REPORT OF THE TRUSTEES  
for the Year Ended 31 MARCH 2023**

**TRUSTEES' RESPONSIBILITY STATEMENT**

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 15 November 2023 and signed on its behalf by:

Mr A W Isles - 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 2023 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 2023 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 Trustees' Responsibilities Statement, 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 directors 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](http://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  
Statutory Auditor  
260 - 270 Butterfield  
Great Marlings  
Luton  
Bedfordshire  
LU2 8DL

27 November 2023

**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
for the Year Ended 31 MARCH 2023**

|   | Notes        | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Designated<br>Funds<br>£ | 2023<br>Total<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|---|--------------|----------------------------|--------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>INCOME AND</b>                           |              |                            |                          |                          |                             |                             |
| <b>ENDOWMENTS FROM</b>                      |              |                            |                          |                          |                             |                             |
| Donations and legacies                      | 3            | -                          | 243,961                  | -                        | 243,961                     | 333,554                     |
| <b>Charitable activities</b>                | 6            |                            |                          |                          |                             |                             |
| Creative learning                           |              | -                          | -                        | -                        | -                           | 2,790                       |
| Other trading and sponsorship<br>activities | 4            | 224,704                    | 599                      | -                        | 225,303                     | 43,963                      |
| Investment income                           | 5            | -                          | 86                       | -                        | 86                          | 6                           |
| <b>Total</b>                                |              | <u>224,704</u>             | <u>244,646</u>           | <u>-</u>                 | <u>469,350</u>              | <u>380,313</u>              |
| <b>EXPENDITURE ON</b>                       |              |                            |                          |                          |                             |                             |
| Cost of generating funds                    | 7            | 8,099                      | 18,618                   | -                        | 26,717                      | 3,059                       |
| <b>Charitable activities</b>                | 8            |                            |                          |                          |                             |                             |
| Luton International Carnival                |              | 125,639                    | 124,223                  | -                        | 249,862                     | 68,504                      |
| Creative learning                           |              | 279                        | 60,674                   | -                        | 60,953                      | 83,676                      |
| Artistic programme                          |              | -                          | 56,654                   | -                        | 56,654                      | 199,734                     |
| Trading activities                          |              | 43,017                     | 1,263                    | 112,135                  | 156,415                     | 84,810                      |
| Artreach                                    |              | -                          | -                        | -                        | -                           | 24,000                      |
| <b>Total</b>                                |              | <u>177,034</u>             | <u>261,432</u>           | <u>112,135</u>           | <u>550,601</u>              | <u>463,783</u>              |
| <b>NET</b>                                  |              |                            |                          |                          |                             |                             |
| <b>INCOME/(EXPENDITURE)</b>                 |              | 47,670                     | (16,786)                 | (112,135)                | (81,251)                    | (83,470)                    |
| <b>RECONCILIATION OF</b>                    | <b>FUNDS</b> |                            |                          |                          |                             |                             |
| Total funds brought forward                 |              | (5,952)                    | 66,066                   | 4,355,028                | 4,415,142                   | 4,498,612                   |
| <b>TOTAL FUNDS CARRIED</b>                  |              |                            |                          |                          |                             |                             |
| <b>FORWARD</b>                              |              | <u>41,718</u>              | <u>49,280</u>            | <u>4,242,893</u>         | <u>4,333,891</u>            | <u>4,415,142</u>            |

The notes form part of these financial statements



**LUTON CARNIVAL ARTS DEVELOPMENT TRUST (REGISTERED NUMBER: 03525877)**

**BALANCE SHEET  
31 MARCH 2023**

|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Designated<br>Funds<br>£ | 2023<br>Total<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|--|-------|----------------------------|--------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>FIXED ASSETS</b>                              |       |                            |                          |                          |                             |                             |
| Tangible assets                                  | 14    | 4,845                      | -                        | 4,242,893                | 4,247,738                   | 4,366,480                   |
| Investments                                      | 15    | -                          | -                        | -                        | -                           | 1                           |
|  |       | <u>4,845</u>               | <u>-</u>                 | <u>4,242,893</u>         | <u>4,247,738</u>            | <u>4,366,481</u>            |
| <b>CURRENT ASSETS</b>                            |       |                            |                          |                          |                             |                             |
| Debtors  | 16    | 26,497                     | 26,000                   | -                        | 52,497                      | 80,420                      |
| Cash at bank and in hand                         |       | <u>41,747</u>              | <u>35,942</u>            | <u>-</u>                 | <u>77,689</u>               | <u>54,985</u>               |
|  |       | 68,244                     | 61,942                   | -                        | 130,186                     | 135,405                     |
| <b>CREDITORS</b>                                 |       |                            |                          |                          |                             |                             |
| Amounts falling due within one year              | 17    | (31,373)                   | (12,660)                 | -                        | (44,033)                    | (86,744)                    |
| <b>NET CURRENT ASSETS</b>                        |       | <u>36,871</u>              | <u>49,282</u>            | <u>-</u>                 | <u>86,153</u>               | <u>48,661</u>               |
| <b>TOTAL ASSETS LESS<br/>CURRENT LIABILITIES</b> |       | 41,716                     | 49,282                   | 4,242,893                | 4,333,891                   | 4,415,142                   |
| <b>NET ASSETS<br/>FUNDS</b>                      |       | <u>41,716</u>              | <u>49,282</u>            | <u>4,242,893</u>         | <u>4,333,891</u>            | <u>4,415,142</u>            |
|  | 19    |                            |                          |                          |                             |                             |
| Unrestricted funds                               |       |                            |                          |                          | 41,716                      | (5,952)                     |
| Restricted funds                                 |       |                            |                          |                          | <u>4,292,175</u>            | <u>4,421,094</u>            |
| <b>TOTAL FUNDS</b>                               |       |                            |                          |                          | <u>4,333,891</u>            | <u>4,415,142</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 15 November 2023 and were signed on its behalf by:

Mr A W Isles - Trustee

The notes form part of these financial statements

**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

**CASH FLOW STATEMENT  
for the Year Ended 31 MARCH 2023**

|   | Notes | 2023<br>£     | 2022<br>£     |
|---|-------|---------------|---------------|
| <b>Cash flows from operating activities</b>                               |       |               |               |
| Cash generated from operations  | 1     | <u>22,618</u> | <u>7,282</u>  |
| Net cash provided by operating activities                                 |       | <u>22,618</u> | <u>7,282</u>  |
| <b>Cash flows from investing activities</b>                               |       |               |               |
| Interest received   |       | <u>86</u>     | <u>6</u>      |
| Net cash provided by investing activities                                 |       | <u>86</u>     | <u>6</u>      |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | <u>22,704</u> | <u>7,288</u>  |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       | <u>54,985</u> | <u>47,697</u> |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       | <u>77,689</u> | <u>54,985</u> |

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 2023**

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

|  | 2023<br>£            | 2022<br>£           |
|--|----------------------|---------------------|
| <b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b> | (81,251)             | (83,470)            |
| <b>Adjustments for:</b>  |                      |                     |
| Depreciation charges   | 118,742              | 118,743             |
| Interest received  | (86)                 | (6)                 |
| Decrease/(increase) in debtors   | 27,923               | (2,465)             |
| Decrease in creditors  | <u>(42,710)</u>      | <u>(25,520)</u>     |
| <b>Net cash provided by operations</b>   | <u><u>22,618</u></u> | <u><u>7,282</u></u> |

**2. ANALYSIS OF CHANGES IN NET FUNDS**

|                          | At 1.4.22<br>£       | Cash flow<br>£       | At 31.3.23<br>£      |
|--------------------------|----------------------|----------------------|----------------------|
| <b>Net cash</b>          |                      |                      |                      |
| Cash at bank and in hand | <u>54,985</u>        | <u>22,704</u>        | <u>77,689</u>        |
|                          | <u>54,985</u>        | <u>22,704</u>        | <u>77,689</u>        |
| <b>Total</b>             | <u><u>54,985</u></u> | <u><u>22,704</u></u> | <u><u>77,689</u></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 2023**

#### **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 funding secured until March 2026.

Due to the closure of the main auditorium 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 2023 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.

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.

##### **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.

## **LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2023**

#### **1. ACCOUNTING POLICIES - continued**

##### **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 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.

##### **Financial instruments**

###### **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

###### **Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 MARCH 2023**

**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**

|           | 2023           | 2022           |
|-----------|----------------|----------------|
|           | £              | £              |
| Donations | -              | 28,016         |
| Grants    | 243,961        | 305,538        |
|           | <u>243,961</u> | <u>333,554</u> |

**4. OTHER TRADING AND SPONSORSHIP ACTIVITIES**

|                       | 2023           | 2022          |
|-----------------------|----------------|---------------|
|                       | £              | £             |
| Bar & catering income | 599            | 942           |
| Hire fees             | 50,008         | 43,021        |
| Sponsorship income    | 150,000        | -             |
| Commissions           | 24,696         | -             |
|                       | <u>225,303</u> | <u>43,963</u> |

**5. INVESTMENT INCOME**

|                          | 2023      | 2022     |
|--------------------------|-----------|----------|
|                          | £         | £        |
| Deposit account interest | <u>86</u> | <u>6</u> |

**6. INCOME FROM CHARITABLE ACTIVITIES**

|                           | 2023     | 2022         |
|---------------------------|----------|--------------|
|                           | £        | £            |
| Workshops and commissions | <u>-</u> | <u>2,790</u> |

Activity  
Creative learning

**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 MARCH 2023**

**7. COST OF GENERATING FUNDS**

**Fundraising**

|             | 2023          | 2022     |
|-------------|---------------|----------|
|             | £             | £        |
| Fundraising | <u>15,250</u> | <u>-</u> |

**Trading activities**

|                        | 2023          | 2022         |
|------------------------|---------------|--------------|
|                        | £             | £            |
| Repairs and renewals   | -             | 449          |
| Staff costs            | -             | 2,610        |
| Technical support      | 250           | -            |
| Consultancy            | 3,368         | -            |
| Event management       | 90            | -            |
| Postage and stationery | 70            | -            |
| Artistic materials     | 7,407         | -            |
| Equipment hire         | 282           | -            |
|                        | <u>11,467</u> | <u>3,059</u> |

|                   |               |              |
|-------------------|---------------|--------------|
| Aggregate amounts | <u>26,717</u> | <u>3,059</u> |
|-------------------|---------------|--------------|

**8. CHARITABLE ACTIVITIES COSTS**

|                              | Direct<br>Costs<br>£ | Support<br>costs (see<br>note 9)<br>£ | Totals<br>£    |
|------------------------------|----------------------|---------------------------------------|----------------|
| Luton International Carnival | 214,027              | 35,835                                | 249,862        |
| Creative learning            | 55,633               | 5,320                                 | 60,953         |
| Artistic programme           | 34,759               | 21,895                                | 56,654         |
| Trading activities           | <u>117,776</u>       | <u>38,639</u>                         | <u>156,415</u> |
|                              | <u>422,195</u>       | <u>101,689</u>                        | <u>523,884</u> |

**9. SUPPORT COSTS**

|                              | Overheads<br>£ | Organisation<br>Costs<br>£ | Office<br>Costs<br>£ | Totals<br>£    |
|------------------------------|----------------|----------------------------|----------------------|----------------|
| Luton International Carnival | 16,143         | 8,510                      | 11,182               | 35,835         |
| Creative learning            | 172            | -                          | 5,148                | 5,320          |
| Artistic programme           | 10,900         | 4,044                      | 6,951                | 21,895         |
| Trading activities           | <u>7,077</u>   | <u>22,355</u>              | <u>9,207</u>         | <u>38,639</u>  |
|                              | <u>34,292</u>  | <u>34,909</u>              | <u>32,488</u>        | <u>101,689</u> |

**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 MARCH 2023**

**9. SUPPORT COSTS - continued**

**AUDITORS REMUNERATION**

Auditors' remuneration for the year is £6,500 for the year (2022: £6,500). Auditors' remuneration for non-audit services for the year totals £2,500 (2022: £3,250).

**10. NET INCOME/(EXPENDITURE)**

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

|                             | 2023         | 2022         |
|-----------------------------|--------------|--------------|
|                             | £            | £            |
| Depreciation - owned assets | 118,742      | 118,743      |
| Auditor remuneration        | <u>6,500</u> | <u>6,500</u> |

**11. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

**Trustees' expenses**

During the year travel expenses were reimbursed to nil trustees (2022: one) totalling £nil (2022: £40).

**12. STAFF COSTS**

|                 | 2023           | 2022           |
|-----------------|----------------|----------------|
| Wages           | 120,364        | 105,824        |
| Social security | 10,470         | 3,184          |
| Pensions        | <u>1,882</u>   | <u>1,150</u>   |
|                 | <u>132,716</u> | <u>110,158</u> |

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

|           | 2023     | 2022     |
|-----------|----------|----------|
| Employees | <u>7</u> | <u>9</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 2023**

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

|  | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Designated<br>Funds<br>£ | Total<br>funds<br>£ |
|--|----------------------------|--------------------------|--------------------------|---------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>        |                            |                          |                          |                     |
| Donations and legacies                   | 151,294                    | 182,260                  | -                        | 333,554             |
| <b>Charitable activities</b>             |                            |                          |                          |                     |
| Creative learning                        | 2,790                      | -                        | -                        | 2,790               |
| Other trading and sponsorship activities | 43,963                     | -                        | -                        | 43,963              |
| Investment income                        | 6                          | -                        | -                        | 6                   |
| <b>Total</b>                             | <u>198,053</u>             | <u>182,260</u>           | <u>-</u>                 | <u>380,313</u>      |
| <b>EXPENDITURE ON</b>                    |                            |                          |                          |                     |
| Cost of generating funds                 | 3,059                      | -                        | -                        | 3,059               |
| <b>Charitable activities</b>             |                            |                          |                          |                     |
| Luton International Carnival             | -                          | 51,258                   | 17,246                   | 68,504              |
| Creative learning                        | -                          | 72,935                   | 10,741                   | 83,676              |
| Artistic programme                       | 87,815                     | 46,172                   | 65,747                   | 199,734             |
| Trading activities                       | 66,409                     | -                        | 18,401                   | 84,810              |
| Artreach                                 | 20,000                     | 4,000                    | -                        | 24,000              |
| <b>Total</b>                             | <u>177,283</u>             | <u>174,365</u>           | <u>112,135</u>           | <u>463,783</u>      |
| <b>NET INCOME/(EXPENDITURE)</b>          | 20,770                     | 7,895                    | (112,135)                | (83,470)            |
| <b>RECONCILIATION OF FUNDS</b>           |                            |                          |                          |                     |
| Total funds brought forward              | (26,722)                   | 58,170                   | 4,467,164                | 4,498,612           |
| <b>TOTAL FUNDS CARRIED FORWARD</b>       | <u>(5,952)</u>             | <u>66,065</u>            | <u>4,355,029</u>         | <u>4,415,142</u>    |

**14. TANGIBLE FIXED ASSETS**

|                                   | Property<br>£    | Plant and<br>machinery<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£      |
|-----------------------------------|------------------|-----------------------------|----------------------------------|------------------|
| <b>COST</b>                       |                  |                             |                                  |                  |
| At 1 April 2022 and 31 March 2023 | <u>5,806,762</u> | <u>918,943</u>              | <u>534,451</u>                   | <u>7,260,156</u> |
| <b>DEPRECIATION</b>               |                  |                             |                                  |                  |
| At 1 April 2022                   | 1,451,734        | 918,816                     | 523,126                          | 2,893,676        |
| Charge for year                   | <u>112,135</u>   | <u>127</u>                  | <u>6,480</u>                     | <u>118,742</u>   |
| At 31 March 2023                  | <u>1,563,869</u> | <u>918,943</u>              | <u>529,606</u>                   | <u>3,012,418</u> |
| <b>NET BOOK VALUE</b>             |                  |                             |                                  |                  |
| At 31 March 2023                  | <u>4,242,893</u> | <u>-</u>                    | <u>4,845</u>                     | <u>4,247,738</u> |
| At 31 March 2022                  | <u>4,355,028</u> | <u>127</u>                  | <u>11,325</u>                    | <u>4,366,480</u> |

# LUTON CARNIVAL ARTS DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2023

### 14. TANGIBLE FIXED ASSETS - continued

The funding agreement dated 17 September 2004 and the grant agreement dated 16 May 2007, are varied by the deeds of variation on 8 January 2007, 4 November 2008 and 28 January 2011. These agreements 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

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:

#### **UKCCA Enterprises & Events Limited**

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

Nature of business: Dormant

|                                | %<br>holding |          |          |
|--------------------------------|--------------|----------|----------|
| Class of share:                |              |          |          |
| Ordinary                       | 100          | 31.10.23 | 31.10.22 |
|                                |              | £        | £        |
| Aggregate capital and reserves |              | 1        | 1        |

### 16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                | 2023          | 2022          |
|--------------------------------|---------------|---------------|
|                                | £             | £             |
| Trade debtors                  | 22,280        | 11,990        |
| VAT                            | 873           | 13,576        |
| Prepayments and accrued income | 29,344        | 54,854        |
|                                | <u>52,497</u> | <u>80,420</u> |

### 17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | 2023          | 2022          |
|---------------------------------|---------------|---------------|
|                                 | £             | £             |
| Trade creditors                 | 27,035        | 10,900        |
| Social security and other taxes | -             | 3,121         |
| Other creditors                 | 2,666         | -             |
| Accruals and deferred income    | 14,332        | 72,723        |
|                                 | <u>44,033</u> | <u>86,744</u> |

**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 MARCH 2023**

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

**DEFERRED INCOME**

|  | Grant Income<br>£ |
|--|-------------------|
| Deferred Income brought forward at 1 April 2022  | 60,000            |
| Incoming resources deferred in the current year  | 3,000             |
| Amounts released from previous years             | <u>(60,000)</u>   |
| Deferred Income carried forward at 31 March 2023 | <u>3,000</u>      |

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

**18. LEASING AGREEMENTS**

Minimum lease receipts fall due as follows:

|                             | 2023<br>£     | 2022<br>£     |
|-----------------------------|---------------|---------------|
| Net obligations receivable: |               |               |
| Within one year             | 8,865         | 8,865         |
| Between one and five years  | <u>8,865</u>  | <u>17,730</u> |
|                             | <u>17,730</u> | <u>26,595</u> |

**19. MOVEMENT IN FUNDS**

|                                | At 1.4.22<br>£   | Net<br>movement<br>in funds<br>£ | At<br>31.3.23<br>£ |
|--------------------------------|------------------|----------------------------------|--------------------|
| <b>Unrestricted funds</b>      |                  |                                  |                    |
| General fund                   | (5,952)          | 47,668                           | 41,716             |
| <b>Restricted funds</b>        |                  |                                  |                    |
| Future depreciation charges    | 4,355,028        | (112,135)                        | 4,242,893          |
| Arts Council funding           | 53,576           | (53,576)                         | -                  |
| BLCF Luton citizens fund       | 9,902            | (9,902)                          | -                  |
| BLCF Community Investment Fund | -                | 7,050                            | 7,050              |
| BLCF stability fund            | 2,588            | 12,340                           | 14,928             |
| Royal opera house              | -                | 2,304                            | 2,304              |
| Steel charitable trust         | -                | 25,000                           | 25,000             |
|                                | <u>4,421,094</u> | <u>(128,919)</u>                 | <u>4,292,175</u>   |
| <b>TOTAL FUNDS</b>             | <u>4,415,142</u> | <u>(81,251)</u>                  | <u>4,333,891</u>   |

**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 MARCH 2023**

**19. MOVEMENT IN FUNDS - continued**

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

|                                | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|--------------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>      |                            |                            |                           |
| General fund                   | 224,704                    | (177,036)                  | 47,668                    |
| <b>Restricted funds</b>        |                            |                            |                           |
| Future depreciation charges    | -                          | (112,135)                  | (112,135)                 |
| Arts Council funding           | 153,446                    | (207,022)                  | (53,576)                  |
| BLCF Luton citizens fund       | -                          | (9,902)                    | (9,902)                   |
| BLCF Community Investment Fund | 36,201                     | (29,151)                   | 7,050                     |
| BLCF stability fund            | 24,999                     | (12,659)                   | 12,340                    |
| Royal opera house              | 5,000                      | (2,696)                    | 2,304                     |
| Steel charitable trust         | 25,000                     | -                          | 25,000                    |
|                                | <u>244,646</u>             | <u>(373,565)</u>           | <u>(128,919)</u>          |
| <b>TOTAL FUNDS</b>             | <u>469,350</u>             | <u>(550,601)</u>           | <u>(81,251)</u>           |

**Comparatives for movement in funds**

|                             | At 1.4.21<br>£   | Net<br>movement<br>in funds<br>£ | At<br>31.3.22<br>£ |
|-----------------------------|------------------|----------------------------------|--------------------|
| <b>Unrestricted funds</b>   |                  |                                  |                    |
| General fund                | (26,722)         | 20,770                           | (5,952)            |
| <b>Restricted funds</b>     |                  |                                  |                    |
| Future depreciation charges | 4,467,164        | (112,135)                        | 4,355,029          |
| Arts Council funding        | 54,531           | (955)                            | 53,576             |
| BLCF Luton citizens fund    | -                | 9,902                            | 9,902              |
| BLCF stability fund         | 3,639            | (1,052)                          | 2,587              |
|                             | <u>4,525,334</u> | <u>(104,240)</u>                 | <u>4,421,094</u>   |
| <b>TOTAL FUNDS</b>          | <u>4,498,612</u> | <u>(83,470)</u>                  | <u>4,415,142</u>   |

**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 MARCH 2023**

**19. MOVEMENT IN FUNDS - continued**

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

|                             | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|-----------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>   |                            |                            |                           |
| General fund                | 198,053                    | (177,283)                  | 20,770                    |
| <b>Restricted funds</b>     |                            |                            |                           |
| Future depreciation charges | -                          | (112,135)                  | (112,135)                 |
| Arts Council funding        | 152,761                    | (153,716)                  | (955)                     |
| Artreach                    | 4,000                      | (4,000)                    | -                         |
| BLCF Luton citizens fund    | 10,500                     | (598)                      | 9,902                     |
| BLCF stability fund         | 14,999                     | (16,051)                   | (1,052)                   |
|                             | <u>182,260</u>             | <u>(286,500)</u>           | <u>(104,240)</u>          |
| <b>TOTAL FUNDS</b>          | <u>380,313</u>             | <u>(463,783)</u>           | <u>(83,470)</u>           |

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

|                                | At 1.4.21<br>£   | Net<br>movement<br>in funds<br>£ | At<br>31.3.23<br>£ |
|--------------------------------|------------------|----------------------------------|--------------------|
| <b>Unrestricted funds</b>      |                  |                                  |                    |
| General fund                   | (26,722)         | 68,438                           | 41,716             |
| <b>Restricted funds</b>        |                  |                                  |                    |
| Future depreciation charges    | 4,467,164        | (224,270)                        | 4,242,894          |
| Arts Council funding           | 54,531           | (54,531)                         | -                  |
| BLCF Community Investment Fund | -                | 7,050                            | 7,050              |
| BLCF stability fund            | 3,639            | 11,288                           | 14,927             |
| Royal opera house              | -                | 2,304                            | 2,304              |
| Steel charitable trust         | -                | 25,000                           | 25,000             |
|                                | <u>4,525,334</u> | <u>(233,159)</u>                 | <u>4,292,175</u>   |
| <b>TOTAL FUNDS</b>             | <u>4,498,612</u> | <u>(164,721)</u>                 | <u>4,333,891</u>   |

# LUTON CARNIVAL ARTS DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2023

### 19. MOVEMENT IN FUNDS - continued

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

|                                | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|--------------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>      |                            |                            |                           |
| General fund                   | 422,757                    | (354,319)                  | 68,438                    |
| <b>Restricted funds</b>        |                            |                            |                           |
| Future depreciation charges    | -                          | (224,270)                  | (224,270)                 |
| Arts Council funding           | 306,207                    | (360,738)                  | (54,531)                  |
| Artreach                       | 4,000                      | (4,000)                    | -                         |
| BLCF Luton citizens fund       | 10,500                     | (10,500)                   | -                         |
| BLCF Community Investment Fund | 36,201                     | (29,151)                   | 7,050                     |
| BLCF stability fund            | 39,998                     | (28,710)                   | 11,288                    |
| Royal opera house              | 5,000                      | (2,696)                    | 2,304                     |
| Steel charitable trust         | 25,000                     | -                          | 25,000                    |
|                                | <u>426,906</u>             | <u>(660,065)</u>           | <u>(233,159)</u>          |
| <b>TOTAL FUNDS</b>             | <u>849,663</u>             | <u>(1,014,384)</u>         | <u>(164,721)</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.

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.

BLCF Luton Citizen's Fund - This project fund is restricted for arts programme delivery.

BLCF Community Investment Fund - Restricted for Learning and Participation Manager role and outreach delivery activities.

BLCF Stability Fund - Restricted for community engagement and arts delivery activities.

Royal Opera House Bridge - Restricted for arts development and delivery training activities.

The Steel Trust Fund - A one-year programme which secured core arts team services to principally oversee and deliver the National Children's Carnival Week programme and other child focused carnival arts activities.

**LUTON CARNIVAL ARTS DEVELOPMENT TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 MARCH 2023**

**20. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year 31 March 2023 and 31 March 2022.

**21. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is the Board of Trustees.

**22. LEGAL STATUS OF THE CHARITABLE COMPANY**

The Charitable Company is a company limited by guarantee in England and Wales 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.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.