

Charity registration number 1123036

Company registration number 06208453 (England and Wales)

**LIVERPOOL CARNIVAL COMPANY LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

## LIVERPOOL CARNIVAL COMPANY LIMITED

### LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	R Morris M M Morris J C D Wells J Buckley D R Broudie
Charity number	1123036
Company number	06208453
Registered office	c/o Lonsdale & Marsh 509-510 Cotton Exchange Bixteth Street Liverpool L3 9LQ
Independent examiner	Lonsdale & Marsh 509-510 Cotton Exchange Bixteth Street Liverpool L3 9LQ

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# LIVERPOOL CARNIVAL COMPANY LIMITED

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## **LIVERPOOL CARNIVAL COMPANY LIMITED**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

#### **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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The trustees present their annual report and financial statements for the year ended 30 September 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

#### **Objectives and activities**

The charity's objects are to put on a samba parade in Liverpool in the summer of each year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

As the charity's objective is to put on a Samba Parade in Liverpool in the summer of each year, the global outbreak of Coronavirus at the beginning of 2020 and the resultant strict lockdown measures which were in place for parts of both 2020 and 2021, meant that the Samba Parades scheduled for both of these years had to be cancelled.

The funding which the charity had already received for the 2020 festival was carried over to 2021. Due to the cancellation of the 2021 festival, this funding was again carried over to 2022 and is included within the statement of financial activities. This funding was received from Arts Council England and from Awards 4 All.

A smaller scale Carnival was held in 2022, however the trustees were unable to secure any additional funding. The trustees have taken the decision to postpone the 2023 Carnival until 2024.

During the previous financial year, the charity was able to secure emergency funding from DCMS Culture Recovery Fund to be used to cover the day to day running costs of the charity. During the current year the infrastructure costs relating to the library building from which the charity is run have increased substantially. The trustees have taken the decision to vacate the library building in 2023.

The trustees are aware that additional funding and sponsorship for the annual festival is likely to be difficult to attain at the current time. Discussions with Culture Liverpool are being held to determine the ongoing sustainability and the future for the Charity.

The trustees of the charity would like to record their thanks to the following organisations for their support:

Arts Council England  
Awards 4 All  
P H Holt Foundation  
DCMS Culture Recovery Fund

#### **Financial review**

As explained more fully in the achievements and performance section of this report, the various restrictions in place as a result of Coronavirus have had a significant impact on the financial performance of the charity. The charity received income of £10,240 during the year from donations and legacies. The charity incurred expenditure of £35,896 during the year resulting in a deficit for the year of £25,656.

As the Charity has now held the Carnival postponed from 2020 and from 2021, the conditions for the purpose of the restricted funds held have been met. The trustees have further advised there is no requirement to repay any surplus funds held and as such, the surplus of the restricted funds held have now been transferred to unrestricted funds. At the end of the year there is an unrestricted fund balance of £17,645.

Notwithstanding the impact on the charity as a result of the global outbreak of Coronavirus as explained more fully in the achievements and performance section of this report, the trustees are of the belief that reserves remain at an appropriate level for the immediate future. The trustees are in discussions with Culture Liverpool to determine the ongoing sustainability of the Charity.

## LIVERPOOL CARNIVAL COMPANY LIMITED

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Structure, governance and management**

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

R Morris  
M M Morris  
J C D Wells  
J Buckley  
D R Broudie

The trustees of the charity were selected and appointed on the basis of their potential involvement in the carnival and for the particular skills and experience they have to offer the charity.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Trustees meet on a regular basis to discuss the activities of the charity.

The trustees' report was approved by the Board of Trustees.



M M Morris  
**Trustee**

27 June 2023

## LIVERPOOL CARNIVAL COMPANY LIMITED

### INDEPENDENT EXAMINER'S REPORT

#### TO THE TRUSTEES OF LIVERPOOL CARNIVAL COMPANY LIMITED

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I report to the trustees on my examination of the financial statements of Liverpool Carnival Company Limited (the charity) for the year ended 30 September 2022.

#### Responsibilities and basis of report

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

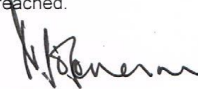
Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act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

#### Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



N J O'Donovan  
Chartered Accountant

Lonsdale & Marsh  
509-510 Cotton Exchange  
Bixteth Street  
Liverpool  
L3 9LQ

Dated: 27 June 2023

## LIVERPOOL CARNIVAL COMPANY LIMITED

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

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<b><u>Income and endowments from:</u></b>							
Donations and legacies	3	10,240	-	10,240	15,297	8,325	23,622
Other income	4	-	-	-	108	-	108
<b>Total income</b>		<b>10,240</b>	<b>-</b>	<b>10,240</b>	<b>15,405</b>	<b>8,325</b>	<b>23,730</b>
<b><u>Expenditure on:</u></b>							
Support costs	5	600	-	600	600	-	600
Charitable activities	6	14,318	20,978	35,296	14,676	-	14,676
<b>Total resources expended</b>		<b>14,918</b>	<b>20,978</b>	<b>35,896</b>	<b>15,276</b>	<b>-</b>	<b>15,276</b>
<b>Net (outgoing)/ incoming resources before transfers</b>		<b>(4,678)</b>	<b>(20,978)</b>	<b>(25,656)</b>	<b>129</b>	<b>8,325</b>	<b>8,454</b>
Gross transfers between funds	10	21,647	(21,647)	-	-	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>16,969</b>	<b>(42,625)</b>	<b>(25,656)</b>	<b>129</b>	<b>8,325</b>	<b>8,454</b>
Fund balances at 1 October 2021		676	42,625	43,301	547	34,300	34,847
<b>Fund balances at 30 September 2022</b>		<b>17,645</b>	<b>-</b>	<b>17,645</b>	<b>676</b>	<b>42,625</b>	<b>43,301</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# LIVERPOOL CARNIVAL COMPANY LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Current assets</b>					
Debtors	11	611		-	
Cash at bank and in hand		21,434		44,501	
		<u>22,045</u>		<u>44,501</u>	
<b>Creditors: amounts falling due within one year</b>	12	(4,400)		(1,200)	
Net current assets			17,645		43,301
<b>Income funds</b>					
Restricted funds	13		-		42,625
Unrestricted funds			17,645		676
			<u>17,645</u>		<u>43,301</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 27 June 2023



M M Morris  
Trustee

Company registration number 06208453



# LIVERPOOL CARNIVAL COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

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### 1 Accounting policies

#### Charity information

Liverpool Carnival Company Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Lonsdale & Marsh, 509-510 Cotton Exchange, Bixteth Street, Liverpool, L3 9LQ.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The global outbreak of Coronavirus has had a significant impact on the charitable activities of the charity. However, and as explained more fully in the trustees' report, at the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the immediate future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# LIVERPOOL CARNIVAL COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that is not recoverable.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# LIVERPOOL CARNIVAL COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2022 £	2021 £	2021 £	2021 £
Donations and gifts	10,240	1,544	-	1,544
Grants receivable	-	13,753	8,325	22,078
	<u>10,240</u>	<u>15,297</u>	<u>8,325</u>	<u>23,622</u>

### 4 Other income

	Total Unrestricted funds	
	2022 £	2021 £
Other income	-	108
	<u>-</u>	<u>108</u>

### 5 Support costs

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Trading costs	600	600
Support costs	600	600
	<u>600</u>	<u>600</u>

# LIVERPOOL CARNIVAL COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 6 Charitable activities

	Carnival expenses 2022 £	Carnival expenses 2021 £
Charitable activities	35,296	14,676
<b>Analysis by fund</b>		
Unrestricted funds	14,318	14,676
Restricted funds	20,978	-
	35,296	14,676

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year in respect of their services as trustees.

### 8 Employees

The average monthly number of employees during the year, including trustees, was:

	2022 Number	2021 Number
	5	5

There were no employees whose annual remuneration was more than £60,000.

### 9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 10 Transfers

The Carnival postponed from 2020 and from 2021 was held during 2022. The trustees have confirmed that the conditions relating to the restricted funds held were met during the current year and as such, the restricted funds surplus has been transferred to unrestricted funds.

### 11 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Other debtors	611	-

# LIVERPOOL CARNIVAL COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 12 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	3,200	-
Accruals and deferred income	1,200	1,200
	<u>4,400</u>	<u>1,200</u>

### 13 Restricted funds

Restricted funds represent any surplus of grants and donations received in connection with costs directly attributable to the carnival held in July each year. At the end of the current financial year these surplus funds totalled £0 (2021 - £42,625).

### 14 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 30 September 2022 are represented by:					
Current assets/(liabilities)	17,645	-	17,645	676	42,625
	<u>17,645</u>	<u>-</u>	<u>17,645</u>	<u>676</u>	<u>43,301</u>

### 15 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).