

Company registration number: 06500554

Charity registration number: 1130829

Axe Vale Festival Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023



WESTCOTTS

CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS

Axe Vale Festival Limited

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Axe Vale Festival Limited

Reference and Administrative Details

Trustees S R Hodges, Chairman
E B Stonex
K Hussey
D H Ellis

Charity Registration Number 1130829

Company Registration Number 06500554

Registered Office The charity is incorporated in England and Wales.
Timberly
South Street
Axminster
Devon
EX13 5AD

Accountants Westcotts
Timberly
South Street
Axminster
Devon
EX13 5AD

Bankers Lloyds Bank
The Square
Seaton
EX12 2QX

Axe Vale Festival Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2023.

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and activities

Objects and aims

The objects of the charity are to promote for the benefit of the inhabitants of Axminster and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life for the said inhabitants.

Objectives, strategies and activities

The charity fulfils its charitable objectives by holding a festival each year in Axminster (subject to conditions and other factors outside of the control of the charity) in order to raise funds and then awards grants and donations to local charities and organisations.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Axe Vale Festival Limited

Trustees' Report

Achievements and performance

As anticipated, the financial downturn has not gone unnoticed. Although the public footfall has remained static, it is noticeable that their spending is less.

We were able to increase the number of Traders slightly, helped by our decision to make minimal increases in the price that they paid for their pitches.

Although we increased the adult ticket price by about 8%, we charged the under 16s only £1 and under 5s came in free. This was intended to encourage young families to attend, which along with children orientated showground entertainment, was considered a success.

All external costs, such as hire of marquees, WCs and generators etc, had as expected, increased, which has kept our overall profit at £7,006.

From the surplus generated from last year's festival, the charity was able to award grants and pledges totalling £4,600 to local 'good' causes.

There remains concern over finding volunteers to work both on the Operational Committee as well as the intensive few days in setting up the showground. Many of the latter, the ground crew, have been with the Show for many years and several are now in their 80s.

Increasing the number and variety of food vendors around the showground was a success and will be repeated.

Generous sponsorship from six local businesses has helped considerably and will hopefully be repeated, if not expanded in 2024.

We are forever grateful to the landowner of the showground and to the two families who store our equipment from year to year for free. That gratitude is of course extended to all the volunteers involved in keeping the show running.

Financial review

Charity income for the year totalled £103,179. Expenditure for the year totalled £96,173, which included £1,703 of support costs and £4,600 of grants which were awarded during the year. All income and expenditure for the year was unrestricted. As at 31 August 2023 the charity held unrestricted reserves of £104,411.

Policy on reserves

Although each year a considerable insurance premium is paid for Cancellation and Abandonment Cover, certain happenings such as Terrorism Acts or Communicable Diseases are not covered and we would therefore need to keep approximately £100,000 in reserves to cover not only the current show costs but for deposits for the following year's event. All exhibitors' fees are refundable.

As at 31 August 2023 the charity held reserves of £104,411. It is the charity's ambition in coming years to strengthen its reserves to a level that is deemed safe for the continued success of the charity.

Full details of the charity's financial activities for the year and the reserves held at the year-end are detailed in the Statement of Financial Activities and the Balance Sheet.

Axe Vale Festival Limited

Trustees' Report

Going concern

Having considered the charity's reserves and anticipated future activity, the trustees are confident of the charity's ability to continue for the next twelve months and therefore consider the going concern basis of accounting appropriate.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	S R Hodges, Chairman
	E B Stonex
	K Hussey
	D H Ellis
	A P Benger (Retired 22 February 2023)

Structure, governance and management

Nature of governing document

The charity is a company limited by guarantee (incorporated 12 February 2008). It is governed by its Memorandum and Articles of Association as amended by a special resolution dated 30 January 2018.

Recruitment and appointment of trustees

The Charity's board of trustees must be made up of at least three and no more than six individuals. New trustees are either elected by the members or co-opted by the existing trustees. The trustees together with the Operations Committee make up the membership of the Charity.

Induction and training of trustees

Proposed trustees would be asked to read carefully the Memorandum & Articles of Association and all additional terms of reference, together with the list of trustee responsibilities.

Axe Vale Festival Limited

Trustees' Report

Major risks and management of those risks

The trustees acknowledge that risk management is the responsibility of the board of trustees. The board has therefore agreed a risk policy which balances the charity's need to take risks in pursuance of its charitable purposes with their duty to ensure that the charity's financial and legal standing and the quality and safety of its operations are not compromised. The major risks to which the charity is exposed have been identified, are reviewed regularly and are used to make informed decisions about the charity's reserves policy. Systems are also implemented to mitigate those risks (both financial and non-financial) wherever possible.

Statement of trustees' responsibilities

The trustees (who are also the directors of Axe Vale Festival Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

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

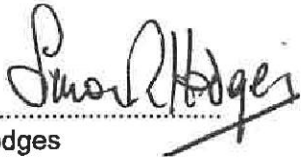
Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Axe Vale Festival Limited

Trustees' Report

The annual report was approved by the trustees of the charity on ...28/02/24... and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'S R Hodges', written over a dotted line.

S R Hodges

Director

Axe Vale Festival Limited

Independent Examiner's Report to the trustees of Axe Vale Festival Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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



Thomas John Stuckey FCCA
Independent examiner
Timberly, South Street
Axminster
Devon
EX13 5AD

Date: 08/04/2024

Axe Vale Festival Limited

Statement of Financial Activities for the Year Ended 31 August 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	2,701	2,701	2,154
Other trading activities	4	99,357	99,357	99,878
Investment income	5	800	800	88
Other income (including camping)	6	321	321	11
Total income		<u>103,179</u>	<u>103,179</u>	<u>102,131</u>
Expenditure on:				
Festival expenses	7	(89,870)	(89,870)	(88,670)
Charitable activities		(4,600)	(4,600)	-
Support costs	8	<u>(1,703)</u>	<u>(1,703)</u>	<u>(1,774)</u>
Total expenditure		<u>(96,173)</u>	<u>(96,173)</u>	<u>(90,444)</u>
Net income		<u>7,006</u>	<u>7,006</u>	<u>11,687</u>
Net movement in funds		7,006	7,006	11,687
Reconciliation of funds				
Total funds brought forward		<u>97,405</u>	<u>97,405</u>	<u>85,718</u>
Total funds carried forward		<u>104,411</u>	<u>104,411</u>	<u>97,405</u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 11 to 17 form an integral part of these financial statements.

Axe Vale Festival Limited

(Registration number: 06500554)
Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Current assets			
Cash at bank and in hand	12	107,648	99,352
Creditors: Amounts falling due within one year	13	<u>(3,237)</u>	<u>(1,947)</u>
Net assets		<u>104,411</u>	<u>97,405</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>104,411</u>	<u>97,405</u>
Total funds		<u>104,411</u>	<u>97,405</u>

The notes on pages 11 to 17 form an integral part of these financial statements.

Axe Vale Festival Limited

(Registration number: 06500554)

Balance Sheet as at 31 August 2023

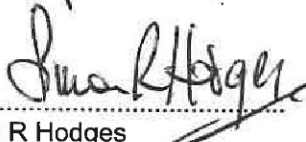
For the financial year ending 31 August 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

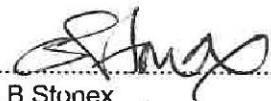
Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 8 to 17 were approved by the trustees, and authorised for issue on ~~31/12/24~~ and signed on their behalf by:


S R Hodges
Trustee


E B Stonex
Trustee

The notes on pages 11 to 17 form an integral part of these financial statements.

Axe Vale Festival Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Timberly
South Street
Axminster
Devon
EX13 5AD

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Axe Vale Festival Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Key sources of estimation uncertainty

The preparation of the accounts requires the trustees to make judgements, estimates and assumptions that affect the amount reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. There were no key sources of estimation uncertainty made in the year.

Axe Vale Festival Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

Income and endowments

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories income:

Voluntary income is received by ways of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated goods, services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Investment income

Income from investment is included in the year in which it is receivable.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund structure

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specific purpose and which the charity may use for its purpose at its discretion.

Designated funds are unrestricted fund earmarked by the trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Axe Vale Festival Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Axe Vale Festival Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

3 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Donations and prize money	2,701	2,701	2,154
	<u>2,701</u>	<u>2,701</u>	<u>2,154</u>

4 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2022 £
Ticket sales	57,813	57,813	65,718
Dog show	628	628	500
Exhibitors fees	40,916	40,916	33,660
	<u>99,357</u>	<u>99,357</u>	<u>99,878</u>

5 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Bank interest	800	800	88

6 Other income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Other income (including camping)	321	321	11

Axe Vale Festival Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

7 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £	Total 2022 £
Festival expenses		<u>89,870</u>	<u>89,870</u>	<u>88,670</u>

8 Other expenditure

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Audit fees			
Independent Examiner's remuneration	1,600	1,600	1,610
Bank charges	<u>103</u>	<u>103</u>	<u>164</u>
	<u>1,703</u>	<u>1,703</u>	<u>1,774</u>

Axe Vale Festival Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

9 Grant-making

Below are details of material grants made to institutions

Name of institution	2023 £	2022 £
Axe Valley Swimming and Sports Association	1,000	-
Devon Air Ambulance Trust	250	-
Five Alive D of E	300	-
Seaton County Primary School PTA	250	-
Membury Parish Hall	500	-
Axminster and Lyme Cancer Support	500	-
ARC Axminster Ltd	1,000	-
Colyton Primary School Family and Friends	500	-
PRCDTR St Michael & St George Restoration Fund	300	-
	<u>4,600</u>	<u>-</u>

10 Staff costs

No salaries or wages have been paid to employees, including the trustees, during the year.

The charity is supported by the voluntary time and skill of its trustees and committee members, who donate a significant amount of time to the charity. The value of this voluntary time is not financially accounted for within the annual financial statements.

Axe Vale Festival Limited

Notes to the Financial Statements for the Year Ended 31 August 2023

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Cash and cash equivalents

	2023	2022
	£	£
Cash on hand	314	-
Cash at bank	<u>107,334</u>	<u>99,352</u>
	<u><u>107,648</u></u>	<u><u>99,352</u></u>

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	1,497	310
Other creditors	140	147
Accruals	<u>1,600</u>	<u>1,490</u>
	<u><u>3,237</u></u>	<u><u>1,947</u></u>

14 Analysis of net assets between funds

	Unrestricted funds	Total funds
	General	at 31 August
	£	2023
	£	£
Current assets	107,648	107,648
Current liabilities	<u>(3,237)</u>	<u>(3,237)</u>
Total net assets	<u><u>104,411</u></u>	<u><u>104,411</u></u>

15 Related party transactions

There were no related party transactions in the year.