

## **THE GRANGE FESTIVAL**

### **TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021**



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**THE GRANGE FESTIVAL**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND  
ADVISERS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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<b>Trustees</b>	Nicholas Allan Lord Mark Ashburton Daniel Benton Rosamund Bernays Sophie Caruth The Rt Hon Sir Charles Haddon-Cave (resigned 17 September 2021) Owen Jonathan (resigned 17 September 2021) Malcolm Le May Richard Morse, Chair of the Finance and General Purposes Committee Timothy Parker, Chair Louise Verrill (resigned 17 December 2021)
<b>Company registered number</b>	09828929
<b>Charity registered number</b>	1165859
<b>Registered office</b>	The Grange Estate Estate Office Folly Hill Farm Alresford Itchen Stoke SO249TF
<b>Independent auditors</b>	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
<b>Key management personnel</b>	Michael Chance, Artistic Director and Chief Executive Officer Michael Moody, Chief Operations Officer Rachel Pearson, Development Officer Annabel Ross, Finance Manager

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**CHAIR'S STATEMENT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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The Chair presents his statement for the year.

It gives me great pleasure to present the latest report and accounts for The Grange Festival, the first since I took over from Sir Charles Haddon-Cave as Chair.

It has been a year of tremendous achievement, not least in putting on a Festival at all despite the challenges of Covid. Successful application to be part of the Government's trial scheme meant that the theatre was full for most of the season and our productions earned plaudits from critics and audiences alike. In a similar vein, our educational outreach programme, which is an important part of our charitable offering reached new levels. A collaboration with WWF resulted in 10 short films showcasing the creative work of the 10 participating groups all of which were shown in the green and blue zones at COP26. The reach and profile of our work has expanded hugely. Further details of all our activities can be found in the Trustees' report.

We have received amazing support over the last two years from those who generously donated their 2020 tickets (when no Festival was possible) and from those who kindly agreed to hold their 2020 tickets over to the 2021 season. The result of this is that the Festival has survived the pandemic crisis with stable but depleted reserves. This shows up in this year's accounts, which show a loss as the credit balance that we built up in 2020 has unwound. Although we need to rebuild our reserves above and beyond our pre-Covid levels, the company is fundamentally sound thanks to the response of the senior executive team to some exceptionally challenging conditions.

The Board can also take credit for overseeing the Company's strategy, which has needed to be adapted to the ever-changing circumstances. In this context, I would like to pay particular tribute to Sir Charles, who as my predecessor helped bring the Company into existence and oversaw - with huge skill and enthusiasm - the considerable achievements and progress of its early years. In this he was ably supported by Owen Jonathan who has also recently stood down from the Board. Owen was in integral part of the establishment of the Charity and its lease of The Grange. Since the year end Louise Verrill has also stood down from the Board. During her time on the Board she has given invaluable legal advice as well helping establish Dance@TheGrange.

None of this would have been possible without the huge cast of other people who make any Festival happen, including the artists and those who rehearse them, the set-builders and lighting technicians alongside the production and backstage personnel, the catering teams, our valued volunteers (who also managed the Covid registration process smoothly throughout the Festival) - and of course our audiences. It says a lot about the pulling power of our Festival that so many people contribute to such a notable success.



**Timothy Parker**  
**Chair of Trustees**

Date: 16<sup>th</sup> FEBRUARY, 2022

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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The Trustees present their annual report together with the audited financial statements of the Charitable Company for the year from 1 October 2020 to 30 September 2021. The Annual Report serves the purpose of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the Charitable Company comply with the current statutory requirements, the requirements of the Charitable Company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charitable Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Objectives and activities**

**a. Policies and objectives**

The main objective of the Charitable Company is to advance education through the promotion, support and encouragement of the art of music and drama (including opera, music, drama, dancing, singing and all forms constituting in whole or in part of music) and in particular the promotion, encouragement and appreciation of opera.

The Charitable Company's policies to deliver this objective are to hold an annual Summer Festival, notable for high quality productions, and ancillary events outside the Summer Festival, including an Education Summer project for 11 to 18 year olds at The Grange. In 2021 in collaboration with the World Wildlife Fund 9 groups of local school children under the guidance of The Grange Festival made 10 films on climate change which were shown at COP26. The aim of these policies is to reach as wide and inclusive an audience as possible, thus promoting their experience of attending and understanding the relevant arts, including opera, music and drama.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**Objectives and activities (continued)**

**b. Strategies for achieving objectives**

The strategies employed by the Charitable Company to achieve its aims and objectives are to:

- (a) Present a broad range of world class productions, principally opera, during the main Festival season for the enjoyment and education of both our local and wider community.
- (b) Undertake a series of education projects as described in achievements and performance (below).
- (c) Review its activities for both schools and adults, with a focus on the local community, particularly those who might otherwise find it difficult to access such activities, so as to maintain the relevance and accessibility of these activities.
- (d) Support young artists and technical staff in their development by providing scholarships and cover roles, as appropriate.
- (e) To raise funds through ticket sales, sponsorship and charitable donations to fund the activities of the Charitable Company and to build an endowment to protect the future of the Charitable Company and to fund ad hoc projects as appropriate.
- (f) To ensure that a skilled and experienced management team is in place to deliver these strategies.
- (g) To maintain an experienced and skilled Board of Trustees to approve the strategic direction of the Charitable Company, oversee the implementation of the strategies and to ensure good governance of the Charitable Company.

**c. Activities undertaken to achieve objectives**

Please refer to the 'Achievements and performance' section of this report.

**d. Volunteers**

The Charitable Company is grateful for the unstinting efforts of its volunteers who are involved in service provision, gardening and ad hoc help in the office with mailings. The Charitable Company has a volunteer coordinator to ensure that best value is derived from the sterling efforts of the volunteers.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**Objectives and activities (continued)**

**e. Main activities undertaken to further the Charitable Company's purposes for the public benefit**

The Charitable Company's main activity is the hosting of a Festival each summer which consists of high quality opera, dance and concerts to promote music and in particular opera to as wide a range of the general public as possible. The Charitable Company continues to reach out to the less privileged members of society through its education programme and is actively seeking sponsorship to enable subsidised ticket sales to people who could not otherwise attend. The programme of opera is broad and varied and targeted at existing and new audiences.

Every year, we support the conductors and directors of each production with assistants. These roles provide highly sought after paid work for emerging artists alongside professionals for 6 to 8 weeks. The development of singers through specialist coaching:

- Members of the Chorus may be offered cover (understudy) roles, in which they are coached by our professional music staff.
- In January 2020, we funded a trip to New York for Elin Pritchard to enable her to work with a world renowned vocal coach on the role of Manon Lescaut, which she was due to sing (a role debut) in the cancelled 2020 Festival and did sing in 2021.
- In 2017 and 2019, we mounted an international singing competition for singers up to the age 32. The final of each competition was accompanied by orchestra (Bournemouth Symphony Orchestra in 2017 and Academy of Ancient Music in 2019). The total prize pot in 2019 was in excess of £25,000, with a first prize of £10,000. Winners of the top three prizes were offered roles in future Festivals.
- We provide paid platforms for young artists at networking events throughout the year, as well as providing facilities for other arts organisations to rehearse, perform and/or record their work.

The Charitable Company engages approximately 240 people to perform, provide technical backstage functions and front of house/dining and car park roles.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**Achievements and performance**

**a. Main achievements of the Charitable Company**

Following the cancellation of the 2020 Festival due to the COVID-19 pandemic, The Charitable Company was able to put on the 2021 Festival. We were able to do this in part because of the great generosity of our patrons, 95% of whom either donated their ticket monies from the cancelled 2020 Festival or carried it forward as account credit. Although the Charitable Company could only sell 50% of its tickets due to socially-distanced rules, it was successful in being part of the Government Pilot Scheme as a Research event which allowed tickets for all seats to be available for sale during the second half of the 2021 Festival. The Charitable Company in collaboration with the World Wildlife Fund engaged with local schools to put together 10 short films on climate change which were presented at COP26.

**b. Key performance indicators**

The Charitable Company aims to achieve in excess of 90% of total box office capacity in the medium future. In 2019 the percentage achieved was 92% overall. The Charitable Company was on course to achieve this in 2020 prior to the cancellation of the 2020 Festival.

The Charitable Company aimed to increase its Friends support from earlier years but due to the cancellation of the 2020 Festival this figure was substantially below the previous year. The Charitable Company expects that the Friends support for 2022 will return to the 2020 level and increase in future years.

The Charitable Company aims to provide an annual summer learning experience for children aged between 11 to 18, together with a series of workshops for the local community. The annual summer experience was to have been an opera production involving schools and local people, but this has had to be postponed until at least 2022 because of COVID-19. In 2021 in collaboration with The World Wildlife Fund 9 local schools were involved in making films relating to Climate change which were shown at COP26.

**c. Review of activities**

The Charitable Company performed the following operas and other productions during 2021: 5 performances of Cenerentola (Rossini), 5 performances of Manon Lescaut (Puccini), 4 performances of Midsummer Nights Dream (Britten), 3 performances of the play King Lear (Shakespeare) performed by opera singers and 3 semi staged concert performances of My Fair Lady. These all achieved critical acclaim of 4 stars or above and the number of seats sold was 7699.

During the year the Charitable Company has continued to develop plans for the Capital Project which include substantial improvements to the site, the provision of permanent lavatories, a studio, recital room and new and improved scenery dock facilities. The planning application for the Capital Project is complete and submitted. It only awaits the endorsement of English Heritage before it goes to Winchester City Council's Planning Committee.

During 2021 the Charitable Company improved the ventilation in the auditorium and installed 48 additional seats, increasing total capacity to 612 per night.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**Achievements and performance (continued)**

**d. Learning@TheGrange**

Learning@TheGrange was formed in 2018 to complement the artistic excellence of The Grange Festival's main programme by offering engagement with the local community to develop skills in creative thinking.

Its mission is:

- To offer a creative opportunity to schools above and beyond our national curriculum at a time when arts subjects are undervalued and are being reduced
- To give our local community unconventional projects, to enable participants to look at their lives in a different way and to develop authentic and innovative self expression
- To explore the importance of creativity to our mental wellbeing, both for our everyday lives and for society in general
- To provide an opportunity for fun, enjoyment and engagement

During 2021, Learning@TheGrange engaged with over 250 young people aged 7-23 years with the FUTURE VISIONS project in collaboration with WWF, led by a professional creative team. Students explored environmental crisis in different global habitats, debated and discussed the issues and responded by creating songs with their own words and music. The outcome was ten short films presenting the ideas and views of the young people, which were shown by WWF at COP26.

**e. Factors relevant to achieve objectives**

The Grange Festival has the option of an up to 30 year lease from 2016 with English Heritage and GE Events (a partnership between The Estate of The Late Rt Hon 7th Lord Ashburton, our former Patron, and the 8th Lord Ashburton, formerly The Hon Mark Baring, a Trustee), which offers a secure long term home for the Festival.

The principal funding sources of the Charitable Company are individual support, Trusts and Corporate Sponsorship, which enable the Charitable Company to host high quality productions each summer. These, together with ticket donations following cancellation of the 2020 Festival, as described above, have put the Charitable Company in a good position for 2022 and beyond.

**f. Fundraising activities and income generation**

The Charitable Company has benefited from donations that were critical to its establishment in 2016. On an ongoing basis, the Charitable Company looks to raise revenues from ticket sales, plus ancillary income from catering, sale of programmes and the gift shop. In addition, the Charitable Company runs annual programmes for sponsorship and charitable fundraising.

The Charitable Company's main charitable fund raising activities are the responsibility of its Development Director. Personal and institutional fund raising approaches are mainly carried out by the Development Director on a one to one basis following introductions by Trustees and existing Friends of the organisation. The Charitable Company does not undertake cold calling or unsolicited visits to individuals and has not received any complaints in respect of its fundraising activities. In addition, as noted above, the Charitable Company has held fund raising events, both in the UK and overseas, in order to generate additional charitable funds.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**Achievements and performance (continued)**

**g. Investment policy and performance**

The Charitable Company does not currently make investments in stocks and shares but occasionally receives gifts of shares from donors. Its policy is to liquidate these within a reasonable timescale.

**h. Duty to promote the success of the Charitable Company to achieve its charitable purposes**

The Trustees of the Charitable Company are aware of this duty and continue to promote the success of the Charitable Company.

**Financial review**

**a. Overview**

After the Charitable Company was forced to cancel its 2020 festival, the outstanding generosity of our supporters meant that 63% of 2020 ticket buyers to that point donated the cost of their tickets and a further 32% agreed to carry over a credit towards future festival tickets. This donation of £631k together with other generous donations, has given the Charitable Company some financial stability, which enabled us to withstand the cancellation of 2020 and put on a successful festival in 2021. The total ticket credit was £375k, of which £240k was used in 2021 with balance being carried forward to 2022, and thus resulted in a lower ticket income realised directly from 2021 ticket sales.

During the year the net movement in funds was a deficit of £666,848 (2020: £912,583 surplus). Net current liabilities were £98,698 (2020: net current assets of £1,386,203) with a closing cash position of £197,898.

Despite challenging times surrounding COVID-19, the Charitable Company continues to review its financial and cash position on a regular basis to ensure the Charitable Company's viability going forward. Despite being unable to carry out certain activities and projects due to the pandemic, the Charitable Company, mainly due to the continued support and generosity of its patrons, remains financially sound and the outlook is positive as the Charitable Company enters 2022.

**b. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**COVID-19 impact**

The impact of COVID-19 has been considered below in the Charitable Company's plan for future periods. The Trustees have reviewed this impact and do not believe it adversely affects the going concern basis of these financial statements. As noted above, the potential impact of extended or renewed operating restrictions related to the COVID-19 crisis remains under careful review..

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**c. Reserves policy**

The policy of the Charitable Company in the longer term is to hold sufficient free reserves at a level which will enable it to operate for a minimum of one year in the event of a significant fall in income levels plus the discretion to invest in one off ad hoc projects as appropriate. The Charitable Company has raised £5.3m to date. This has enabled the Charitable Company to:

1. Refurbish and equip the theatre at The Grange, Northington.
2. Host Festivals in 2017, 2018 and 2019 plus the Precipice and Pagliacci events in 2020 and the 2021 Festival.
3. Continue plans for 2022 and future Festivals and related events.

Free reserves at the year end were a deficit of £125,293 (2020: surplus £1,320,608), which is based on unrestricted funds of £1,484,329 (2020: £2,151,177) less fixed assets and investments of £1,609,622 (2020: £830,569).

The Charitable Company aims to raise substantial additional funds in 2022 and beyond. Total funds for the year amounted to £1,484,329 (2020: £2,151,177) of which £nil (2020: nil) were restricted funds.

**d. Principal risks and uncertainties**

The Charitable Company has assessed the principal risks, and these include:

- The effect of Brexit, particularly with its uncertain financial and political implications on future support from individuals, trusts and corporates and the continuing ability to use foreign artists
- The discontinuance of any charitable tax reliefs
- The ongoing effects of COVID-19 including the potential extension or renewal of operating restrictions

**e. Financial risk management objectives and policies**

The Charitable Company evaluates the risks it faces as outlined in principal risks and uncertainties, noted above, and is confident the policies it adopts enables the Charitable Company to pursue its objectives. The Trustees and Senior Management review these on a regular basis and amend as appropriate.

**f. Principal funding**

The principal funding sources of the Charitable Company are individual support, Trusts and Corporate Sponsorship which enable the Charitable Company to put on high quality productions each summer. These together with ticket donations following cancellation of the 2020 Festival as described above, have put the Charitable Company in a good position for 2022 and beyond.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**Structure, governance and management**

**a. Constitution**

The Grange Festival is a company limited by guarantee (Company number: 09828929) and a registered Charity (Charity number: 1165859) and is administered under its Memorandum and Articles.

It is not liable to corporation tax on its charitable activities.

The liability of the members (who are also the directors and trustees) is limited to £10 each in the event of winding up.

The principal activities of the charity are to hold a summer festival of opera and other entertainments and to provide and promote education of the performing arts.

**b. Methods of appointment or election of Trustees**

The Trustees have the power to appoint, with a simple majority, any person to be a Trustee of The Grange Festival who is deemed to have the necessary attributes and expertise to assist with the effective running of the company. The Board regularly reviews its mix of skills and experience, as well as its diversity.

**c. Organisational structure and decision-making policies**

The strategic direction of the Charitable Company is approved by the Board, which also oversees the operations of the Charitable Company through sub committees of the Board (e.g., Artistic, Development, Finance and General Purposes). The day to day planning and operations are the responsibility of the executive team, who report regularly to the Board or relevant sub committees of the Board.

**d. Policies adopted for the induction and training of Trustees**

People who are invited to join the Board of Trustees usually have a considerable interest in opera and the opera and the other entertainments conducted at The Grange by the Charitable Company. In addition they are also likely to be equipped with relevant charitable and/or business experience necessary to make a valuable contribution to the Charitable Company. New Trustees are given copies of previous Board minutes and company literature to familiarise themselves with the particulars of The Grange Festival.

**e. Pay policy for key management personnel**

The Trustees review pay for key management personnel on an annual basis.

**f. Related party relationships**

These are reviewed by the Charitable Company and discussed further in note 27.

**g. Financial risk management**

The Trustees have assessed the major risks to which the Charitable Company is exposed, in particular those related to the operations and finances of the Charitable Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**Plans for future periods**

In 2022 the Charitable Company plans to put on three opera productions over 16 nights, 2 nights of "dance@thegrange" and a Jazz night.

The Charitable Company will continue its education work with local schools as allowed under the lockdown procedures in place during the COVID-19 pandemic.

The Charitable Company also plans, over the next few years to improve the facilities at The Grange including the provision of permanent toilets and showers, greater scenery dock space and new studio and recital room facilities.

The Charitable Company is grateful for the support of its volunteers (over fifty) and hopes that this support will continue together with the aim of increasing the use of local resources and businesses wherever possible.

**Members' liability**

The Members who are also Directors and Trustees of the Charitable Company guarantee to contribute an amount not exceeding £10 to the assets of the Charitable Company in the event of winding up.

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Charitable Company 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).

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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as the Trustees are aware, there is no relevant audit information of which the Charitable Company's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

**Auditors**

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
.....  
**Timothy Parker**  
Chair of Trustees

Date: 16<sup>th</sup> FEBRUARY 2022

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE GRANGE FESTIVAL**

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**Opinion**

We have audited the financial statements of The Grange Festival (the 'Charitable Company') for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**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 United Kingdom, including the Financial Reporting Council'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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE GRANGE FESTIVAL (CONTINUED)**

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**Other information**

The other information comprises the information included in the Trustees Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Trustees Report. 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. 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 course of 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.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE GRANGE FESTIVAL (CONTINUED)**

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**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an Auditors' Report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We reviewed the susceptibility of the Charitable Company's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Charitable Company's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the charitable company and its environment and identify any instances of non-compliance.
- We also assessed the Charitable Company's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Charitable Company awareness to carry out our work to the required standard.

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 Auditors' Report.

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**THE GRANGE FESTIVAL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE GRANGE FESTIVAL (CONTINUED)**

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**Use of our report**

This report is made solely to the Charitable Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charitable Company's Trustees 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 its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*WR Partners*

**WR Partners**

Chartered Accountants  
Statutory Auditors  
Belmont House  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

Date: *21<sup>st</sup> February 2022*

WR Partners are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**THE GRANGE FESTIVAL**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>				
Donations and legacies	4	1,419,642	1,419,642	2,087,441
Charitable activities	5	1,027,284	1,027,284	306,644
Investments	6	121	121	481
Other income	7	154,583	154,583	68,900
<b>Total income</b>		<b>2,601,630</b>	<b>2,601,630</b>	<b>2,463,466</b>
<b>Expenditure on:</b>				
Raising funds	8	69,030	69,030	66,790
Charitable activities		3,199,448	3,199,448	1,483,301
<b>Total expenditure</b>		<b>3,268,478</b>	<b>3,268,478</b>	<b>1,550,091</b>
<b>Net (expenditure)/income before net losses on investments</b>		<b>(666,848)</b>	<b>(666,848)</b>	<b>913,375</b>
Net losses on investments		-	-	(792)
<b>Net movement in funds</b>		<b>(666,848)</b>	<b>(666,848)</b>	<b>912,583</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		2,151,177	2,151,177	1,238,594
Net movement in funds		(666,848)	(666,848)	912,583
<b>Total funds carried forward</b>		<b>1,484,329</b>	<b>1,484,329</b>	<b>2,151,177</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 39 form part of these financial statements.

**THE GRANGE FESTIVAL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 09828929**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	1,609,622	822,812
Investments	14	-	7,757
		<u>1,609,622</u>	<u>830,569</u>
<b>Current assets</b>			
Stocks	15	1,179	1,179
Debtors	16	533,492	200,252
Cash at bank and in hand		197,898	1,662,499
		<u>732,569</u>	<u>1,863,930</u>
Creditors: amounts falling due within one year	17	(831,267)	(477,727)
<b>Net current liabilities / assets</b>		<u>(98,698)</u>	<u>1,386,203</u>
<b>Total assets less current liabilities</b>		<u>1,510,924</u>	<u>2,216,772</u>
Creditors: amounts falling due after more than one year	18	(26,595)	(65,595)
		<u>1,484,329</u>	<u>2,151,177</u>
<b>Total net assets</b>		<u><u>1,484,329</u></u>	<u><u>2,151,177</u></u>

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**THE GRANGE FESTIVAL**  
**(A Company Limited by Guarantee)**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 30 SEPTEMBER 2021**

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	Note	2021 £	2020 £
<b>Charity funds</b>			
Restricted funds	19	-	-
Unrestricted funds	19	1,484,329	2,151,177
<b>Total funds</b>		<u>1,484,329</u>	<u>2,151,177</u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**Richard Morse**  
Chair of the Finance and General Purposes Committee

Date: *16th February 2022*

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**THE GRANGE FESTIVAL**  
(A Company Limited by Guarantee)

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	22	(579,855)	1,394,671
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(884,746)	(229,612)
<b>Net cash used in investing activities</b>		(884,746)	(229,612)
<b>Change in cash and cash equivalents in the year</b>		<b>(1,464,601)</b>	<b>1,165,059</b>
Cash and cash equivalents at the beginning of the year		1,662,499	497,440
<b>Cash and cash equivalents at the end of the year</b>	23	<b>197,898</b>	<b>1,662,499</b>

The notes on pages 21 to 39 form part of these financial statements

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**THE GRANGE FESTIVAL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

The Grange Festival 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.

**1.2 Going concern**

Having considered future plans and forecast financial budgets, the Trustees confirm that they are not aware of any material uncertainties with regard to the Charitable Company's ability to continue as a going concern for a period in excess of twelve months from the date of approval of these financial statements, and therefore have prepared these financial statements on the going concern basis.

The Trustees have also assessed the potential impact on the future operations of the Charitable Company with regard to the Covid-19 outbreak. The Charitable Company is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

**1.3 Income**

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charitable Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charitable Company, can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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**THE GRANGE FESTIVAL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**1. Accounting policies (continued)**

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charitable Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charitable Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**1.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charitable Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**1.6 Taxation**

The Charitable Company 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 Charitable Company 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.

**1.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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**THE GRANGE FESTIVAL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**1. Accounting policies (continued)**

**1.7 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 15 years straight line
Computer equipment	- 4 years straight line
Other fixed assets	- 15 years straight line

**1.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

**1.9 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.10 Debtors**

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

**1.11 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.12 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

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**THE GRANGE FESTIVAL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**1. Accounting policies (continued)**

**1.13 Financial instruments**

The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.14 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**1.15 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**2. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**THE GRANGE FESTIVAL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

**4. Income from donations and legacies**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Donations</b>				
Trust donations	103,000	-	103,000	50,000
Gift aid	239,594	-	239,594	222,898
Ticket donations	454,182	-	454,182	15,736
Friends donations	198,884	-	198,884	292,183
Competition donations	-	-	-	4,774
Other donations	173,247	-	173,247	779,524
<b>Subtotal detailed disclosure</b>	1,168,907	-	1,168,907	1,365,115
Legacies	-	-	-	623,170
Theatre tax relief	250,735	-	250,735	99,156
<b>Subtotal</b>	250,735	-	250,735	722,326
	1,419,642	-	1,419,642	2,087,441
<i>Total 2020</i>	2,082,667	4,774	2,087,441	

**THE GRANGE FESTIVAL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**5. Income from charitable activities**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Ticket income	559,409	-	559,409	21,434
Event income	-	-	-	165,616
Support income	25,500	-	25,500	9,000
Advertisement income	9,250	-	9,250	-
Pavilion and marquee income	47,551	-	47,551	-
Restaurant and bar income	213,829	-	213,829	-
Programme sales	23,415	-	23,415	-
Education programme	31,297	-	31,297	47,055
Shop sales	23,528	-	23,528	-
Other income	81,505	-	81,505	40,543
Various fund income	12,000	-	12,000	22,996
<b>Total 2021</b>	<b>1,027,284</b>	<b>-</b>	<b>1,027,284</b>	<b>306,644</b>
<i>Total 2020</i>	<i>303,590</i>	<i>3,054</i>	<i>306,644</i>	

**6. Investment income**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	121	121	481
<i>Total 2020</i>	<i>481</i>	<i>481</i>	

**THE GRANGE FESTIVAL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**7. Other incoming resources**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Sponsorship Income	154,583	<b>154,583</b>	68,900
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total 2020</i>	<u>68,900</u>	<u>68,900</u>	

**8. Expenditure on raising funds**

**Fundraising trading expenses**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising expenses	69,030	<b>69,030</b>	66,790
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total 2020</i>	<u>66,790</u>	<u>66,790</u>	

**9. Analysis of expenditure by activities**

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Ticket income	2,387,850	811,598	<b>3,199,448</b>	1,483,301
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total 2020</i>	<u>601,956</u>	<u>881,345</u>	<u>1,483,301</u>	

**THE GRANGE FESTIVAL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**9. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Direct Costs</b>	<b>Total</b>	<i>Total</i>
	<b>2021</b>	<b>funds</b>	<i>funds</i>
	<b>£</b>	<b>2021</b>	<i>2020</i>
		<b>£</b>	<i>£</i>
Accommodation	50,627	<b>50,627</b>	17,183
Costumes, sets, props	298,707	<b>298,707</b>	226,794
Depreciation	84,952	<b>84,952</b>	66,038
Directors and choreographers	118,969	<b>118,969</b>	47,493
Education	47,123	<b>47,123</b>	15,952
Festival travel and transport	13,875	<b>13,875</b>	6,116
Licence fees	29,778	<b>29,778</b>	-
Lighting and sound	75,926	<b>75,926</b>	9,918
Model expenses	5,651	<b>5,651</b>	2,250
Orchestra	217,895	<b>217,895</b>	11,729
Performance refreshments	3,292	<b>3,292</b>	-
Production teams	57,746	<b>57,746</b>	9,266
Toilet hire	26,687	<b>26,687</b>	800
Rehearsals	32,497	<b>32,497</b>	7,083
Restaurant and bar costs	184,295	<b>184,295</b>	-
Singers and conductors	642,853	<b>642,853</b>	48,547
Singing competition	-	-	51,261
Site costs	258,247	<b>258,247</b>	61,766
Staff costs	58,743	<b>58,743</b>	48
Stage and technical staff	179,987	<b>179,987</b>	19,712
	<u>2,387,850</u>	<u><b>2,387,850</b></u>	<u>601,956</u>
<i>Total 2020</i>	<u>601,956</u>	<u>601,956</u>	

**THE GRANGE FESTIVAL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Administrative expenses	15,991	<b>15,991</b>	22,560
Advertising	29,718	<b>29,718</b>	24,998
Bank charges	19,234	<b>19,234</b>	14,918
Depreciation	12,984	<b>12,984</b>	3,264
Event expenditure	624	<b>624</b>	35,856
Exgratia payments	-	-	121,223
Feasability study	-	-	12,129
Freelance costs	242,115	<b>242,115</b>	244,375
Governance costs	40,241	<b>40,241</b>	11,740
Insurance	37,316	<b>37,316</b>	31,096
IT costs	39,315	<b>39,315</b>	32,767
Legal fees	-	-	5,000
Literature and brochures	34,500	<b>34,500</b>	44,500
Party and promotion costs	10,580	<b>10,580</b>	13,779
Photography	27,955	<b>27,955</b>	1,713
Printing, postage and stationery	33,231	<b>33,231</b>	31,652
Programme costs	35,076	<b>35,076</b>	3,764
Rent and rates	11,000	<b>11,000</b>	9,000
Staff costs	209,181	<b>209,181</b>	198,074
Telephone and fax	5,904	<b>5,904</b>	4,021
Travel costs	6,633	<b>6,633</b>	14,916
	<u>811,598</u>	<u><b>811,598</b></u>	<u>881,345</u>
<i>Total 2020</i>	<u>881,345</u>	<u><b>881,345</b></u>	

**THE GRANGE FESTIVAL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**10. Net Income/Expenditure**

Net income/expenditure is stated after accounting for:

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<i>£</i>
Auditors remuneration - audit	<b>6,700</b>	<i>6,400</i>
Auditors remuneration - other services	<b>3,250</b>	<i>3,150</i>
Depreciation	<b>97,936</b>	<i>69,302</i>
Operating lease payments	<b>3,580</b>	<i>1,140</i>
	<b>111,466</b>	<i>79,992</i>

**11. Staff costs**

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<i>£</i>
Wages and salaries	<b>247,734</b>	<i>178,989</i>
Social security costs	<b>15,916</b>	<i>14,806</i>
Contribution to defined contribution pension schemes	<b>4,274</b>	<i>4,327</i>
	<b>267,924</b>	<i>198,122</i>

During the period no severance payments were made (2020: £4,952 to 2 employees).

The average number of persons employed by the Charitable Company during the year was as follows:

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
Administration	<b>12</b>	<i>7</i>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration paid to key management personnel (as listed on page 1) in the year was £288,422 (2020: £280,210). The key management personnel of the Festival are freelancers and therefore, are not included in the above staff costs.

**THE GRANGE FESTIVAL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL) with the exception of Lord Mark Ashburton formerly The Hon Mark Baring (Trustee) who receives a number of free tickets to the festival each year by virtue of his position as landlord.

During the year ended 30 September 2021, no Trustee expenses have been incurred (2020 - £NIL).

**13. Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>Cost</b>				
At 1 October 2020	977,731	37,674	7,470	1,022,875
Additions	9,585	45,000	830,161	884,746
At 30 September 2021	<u>987,316</u>	<u>82,674</u>	<u>837,631</u>	<u>1,907,621</u>
<b>Depreciation</b>				
At 1 October 2020	189,195	10,750	118	200,063
Charge for the year	75,353	12,984	9,599	97,936
At 30 September 2021	<u>264,548</u>	<u>23,734</u>	<u>9,717</u>	<u>297,999</u>
<b>Net book value</b>				
At 30 September 2021	<u><u>722,768</u></u>	<u><u>58,940</u></u>	<u><u>827,914</u></u>	<u><u>1,609,622</u></u>
At 30 September 2020	<u><u>788,536</u></u>	<u><u>26,924</u></u>	<u><u>7,352</u></u>	<u><u>822,812</u></u>

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**14. Fixed asset investments**

	Listed investments £
At 1 October 2020	7,757
Additions	4,080
Disposals	(11,837)
<b>Net book value</b>	
At 30 September 2021	-
<i>At 30 September 2020</i>	<u>7,757</u>

**15. Stocks**

	2021 £	2020 £
Shop bags	<u>1,179</u>	<u>1,179</u>

**16. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	115,951	-
Other debtors	108,004	40,894
Prepayments and accrued income	58,802	61,128
Tax recoverable	250,735	98,230
	<u>533,492</u>	<u>200,252</u>

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**17. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Other loans	39,000	-
Trade creditors	387,522	18,680
Other taxation and social security	7,778	4,176
Other creditors	5,088	879
Accruals	99,257	59,734
Deferred income	292,622	394,258
	<u>831,267</u>	<u>477,727</u>
	2021 £	2020 £
<b>Deferred income</b>		
Deferred income at 1 October 2020	394,258	146,927
Resources deferred during the year	292,622	394,258
Amounts released from previous periods	(394,258)	(146,927)
	<u>292,622</u>	<u>394,258</u>

The deferred income balance above include monies received from Friends in respect of the upcoming 2022 season. It also includes monies received from individuals who rolled over the amount paid in relation to the 2020 ticket sales which have been carried over to 2022.

**18. Creditors: Amounts falling due after more than one year**

	2021 £	2020 £
Other loans	<u>26,595</u>	<u>65,595</u>

The above represent social investment loans taken out in the prior period. One for the amount of £20,000 to be paid in full on 14 October 2022 and one for the amount of £6,595 to be paid in full on 2 April 2023. Both loans are 3 year agreements and do not involve any added interest charges.

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**19. Statement of funds**

**Statement of funds - current year**

	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Education Programme	83,024	95,880	(143,904)	-	35,000
2021 Festival	350,000	-	(350,000)	-	-
Capital Project	786,036	20,000	-	(806,036)	-
	<u>1,219,060</u>	<u>115,880</u>	<u>(493,904)</u>	<u>(806,036)</u>	<u>35,000</u>
<b>General funds</b>					
General Funds - all funds	109,305	2,485,750	(2,676,638)	(78,710)	(160,293)
Fixed Assets	822,812	-	(97,936)	884,746	1,609,622
	<u>932,117</u>	<u>2,485,750</u>	<u>(2,774,574)</u>	<u>806,036</u>	<u>1,449,329</u>
<b>Total Unrestricted funds</b>	<u>2,151,177</u>	<u>2,601,630</u>	<u>(3,268,478)</u>	<u>-</u>	<u>1,484,329</u>

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**19. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 October 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 30 September 2020 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Education Programme	56,933	53,860	(15,952)	(11,817)	-	83,024
2021 Festival	-	-	-	350,000	-	350,000
Capital Project	-	-	-	786,036	-	786,036
	<u>56,933</u>	<u>53,860</u>	<u>(15,952)</u>	<u>1,124,219</u>	<u>-</u>	<u>1,219,060</u>
<b>General funds</b>						
General Funds - all funds	487,543	2,401,778	(1,413,576)	(1,365,648)	(792)	109,305
Fixed Assets	662,502	-	(69,302)	229,612	-	822,812
	<u>1,150,045</u>	<u>2,401,778</u>	<u>(1,482,878)</u>	<u>(1,136,036)</u>	<u>(792)</u>	<u>932,117</u>
<b>Total Unrestricted funds</b>	<u>1,206,978</u>	<u>2,455,638</u>	<u>(1,498,830)</u>	<u>(11,817)</u>	<u>(792)</u>	<u>2,151,177</u>
<b>Restricted funds</b>						
Singing Competition	<u>31,616</u>	<u>7,828</u>	<u>(51,261)</u>	<u>11,817</u>	<u>-</u>	<u>-</u>
<b>Total of funds</b>	<u><u>1,238,594</u></u>	<u><u>2,463,466</u></u>	<u><u>(1,550,091)</u></u>	<u><u>-</u></u>	<u><u>(792)</u></u>	<u><u>2,151,177</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Statement of funds (continued)**

**Designated Funds**

The Education Programme relates to the Education Project for the wider community and to fund young artists to work as assistants during the Summer Festival.

Following the cancellation of the 2020 Festival due to COVID-19 and the generosity of supporters in donating their ticket monies, £350,000 was designated for the 2021 Festival and has been used for this purpose.

Following the receipt of substantial legacies in 2019 and 2020 the charity had designated £786,036 in respect of its capital project to improve the facilities on site to include a new scenery dock and facilities, toilets, studio and additional usable space at The Grange. The Charitable Company has undertaken improvements prior to the 2021 Festival in respect of additional seating, ventilation and other upgrades to the auditorium and has also submitted planning application for the further improvements detailed above which has utilised the full fund.

**Unrestricted Funds**

These funds are the surplus of income over expenditure relating to the main activity of the Charitable Company which is putting on an annual Summer Festival.

**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	1,609,622	<b>1,609,622</b>
Current assets	732,569	<b>732,569</b>
Creditors due within one year	(831,267)	<b>(831,267)</b>
Creditors due in more than one year	(26,595)	<b>(26,595)</b>
<b>Total</b>	<b>1,484,329</b>	<b>1,484,329</b>

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**21. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	822,812	822,812
Fixed asset investments	7,757	7,757
Current assets	1,863,930	1,863,930
Creditors due within one year	(477,727)	(477,727)
Creditors due in more than one year	(65,595)	(65,595)
<b>Total</b>	<u><u>2,151,177</u></u>	<u><u>2,151,177</u></u>

**22. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2021 £</b>	<b>2020 £</b>
Net income/expenditure for the year (as per Statement of Financial Activities)	<u><b>(666,848)</b></u>	<u>912,583</u>
<b>Adjustments for:</b>		
Depreciation charges	<b>97,937</b>	69,302
Fixed asset Investment additions (donated)	<b>(4,080)</b>	(3,992)
Gains on investments	-	792
Disposal of fixed asset investments	<b>11,837</b>	-
Decrease/(increase) in debtors	<b>(236,217)</b>	189,749
Increase in creditors	<b>217,516</b>	199,642
Increase/(decrease) in loans	-	26,595
<b>Net cash provided by/(used in) operating activities</b>	<u><u><b>(579,855)</b></u></u>	<u><u>1,394,671</u></u>

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**23. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand	197,898	1,662,499
<b>Total cash and cash equivalents</b>	<b>197,898</b>	<b>1,662,499</b>

**24. Analysis of changes in net debt**

	At 1 October 2020 £	Cash flows £	At 30 September 2021 £
Cash at bank and in hand	1,662,499	(1,464,601)	197,898
Debt due within 1 year	-	(39,000)	(39,000)
Debt due after 1 year	(65,595)	39,000	(26,595)
	<b>1,596,904</b>	<b>(1,464,601)</b>	<b>132,303</b>

**25. Contingent liabilities**

The Grange Festival has leased the auditorium and grounds from their owners, Lord John Ashburton (Patron – now deceased) and Lord Mark Ashburton formerly The Hon Mark Baring (a Trustee) with consent from Historic England which has a Deed of Guardianship over the buildings and their curtilage.

The lease is for an initial term of fifteen years with an option for The Grange Festival to renew for a further fifteen years at its discretion.

Fees are payable to Historic England and the landowners as follows:

No fees are payable to Historic England until the end of the 2020 Festival season. After this period a Festival turnover fee is payable based on a percentage of festival season turnover (classified as gross revenue from productions staged in May, June and July). In addition, from 1 July 2022 a base annual fee is also payable. After the end of the 2021 season there will also be fees payable based on a percentage of ex-festival season turnover, if applicable.

The landowners receive 8 free tickets in total per production but otherwise no fees are payable until after the end of the 2021 season. After this period fees payable will be based on a percentage of festival season turnover and there will also be fees payable based on a percentage of ex-festival season turnover.

At this stage the Charitable Company cannot reliably estimate the level of festival and ex-festival season turnover it will achieve. There is a maximum fee payable of £120,000 per annum up until 30 September 2027.

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**26. Operating lease commitments**

At 30 September 2021 the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	3,069	1,140
Later than 1 year and not later than 5 years	8,352	285
	<u>11,421</u>	<u>1,425</u>

**27. Related party transactions**

A lease has been granted to The Grange Festival on The Grange premises. These premises are owned by Lord Mark Ashburton, formerly The Hon Mark Baring (Trustee) and The Estate of The Late Rt Hon 7th Lord Ashburton (Patron - now deceased) trading jointly in partnership as G E Events. The financial terms of this lease are set out in Note 25.

The Charitable Company occupied office premises comprising approximately 1,000 square feet on the Grange Estate since March 2016 and has entered into a three year lease from 1 April 2020 at an annual rent of £11,000. Lord Mark Ashburton is the principal beneficiary of The Grange Estate, the trading name of a family trust.

At the year end the Charitable Company owed The Grange Estate £6,189 (2020: £7,973). Total expenditure of £36,758 (2020: £22,430) with The Grange Estate was incurred in the year which relates to premises costs being mainly reimbursement of labour costs and buildings insurance, and office rent.

During the year no social investment loans were made to The Grange Festival from any Trustee. During 2019 a social investment loan was made to The Grange Festival from Lord Mark Ashburton (Trustee) for the value of £25,000 repayable in 2022.

Lord Mark Ashburton (Trustee) receives a number of free tickets to the festival each year by virtue of his position as landlord.

**28. Contingent Asset**

As at 30 September 2020 the Charitable Company had pledges of £636,000 (2020: £716,760) of which £145,000 (2020: £3,000) had been received at the date of these accounts. Many of the pledges related to donors who are making their donations over two/three years and have already paid instalments. £500,000 of the pledges relates to the capital project. Since the year end, £125,000 of pledges relating to the capital project have been received, without restriction.