THE HENLEY FESTIVAL TRUST

England & Wales · Charity number 1174338

Details

Other names	THE FRIENDS OF HENLEY FESTIVAL SOCIETY
Status	Registered
Legal form	CIO
Registered	2017-08-22
Register	View on the Charity Commission register

Contact

Address	Leander Club Ltd Henley-On-Thames Oxfordshire RG9 2LP
Phone	01491843400
Email	kim@henley-festival.co.uk
Website	http://henley-festival.co.uk/

Activities

Objects: THE OBJECTS OF THE CIO ARE THE ADVANCEMENT OF THE ARTS (WHICH FOR THE PURPOSES OF THIS CLAUSE SHALL INCLUDE MUSICAL, VISUAL, LITERARY, DRAMATIC OR ANY OTHER ARTS) AND THE PROMOTION AND WIDENING OF PUBLIC APPRECIATION AND INTEREST IN THE ARTS IN HENLEY-ON-THAMES AND THE SURROUNDING AREA AND OTHER SUCH PLACES AS THE TRUSTEES MAY FROM TIME TO TIME DETERMINE FOR THE BENEFIT OF THE PUBLIC.

Activities: The purpose of the charity is the advancement of the arts and the promotion and widening of public appreciation and interest in the arts in Henley-on-Thames and the surrounding area and other such places as the trustees may from time to time determine for the benefit of the public.

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Bracknell Forest
- Buckinghamshire
- Oxfordshire
- Reading
- Slough
- West Berkshire
- Windsor And Maidenhead
- Wokingham

Finances

Period end	Income	Expenditure	Assets	Employees
2024-10-31	£3,999,168	£4,129,161	£601,016	9
2023-10-31	£4,093,231	£3,925,552	£739,140	9
2022-10-31	£4,216,352	£3,849,831	£586,188	7
2021-10-31	£2,957,748	£2,824,942	£235,379	7
2020-10-31	£452,821	£587,058	-	-

Trustees

Name	Role	Appointed
Susan Laing	Chair	2018-05-04
ANTHONY MALLIN		2017-11-01
Gary Hutchinson		2025-10-31
Lord HOWARD DARRYL LEIGH		2020-09-11
MALCOLM HEAD		2017-11-01
Marija Rompani		2024-09-06
Mary Homer		2018-05-04
Swagatam Mukerji		2025-08-01

Accounts

Charity number: 1174338
Registered number: CEO10828

THE HENLEY FESTIVAL TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2024

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 OCTOBER 2024

Charity registered number	1174338
Principal office	Leander Club Henley-On-Thames Oxfordshire RG9 2LP
Chief executive officer	J Bausor
Independent auditors	FLB Audit LLP Chartered Accountants Statutory Auditors 1010 Eskdale Road Winnersh Triangle Wokingham United Kingdom RG41 5TS
Bankers	Lloyds Bank plc 25 Gresham Street London EC2V 7HN
Solicitors	The Head Partnership 2 Duke Street Henley-on-Thames RG9 1UP

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2024

The Trustees present their annual report together with the audited financial statements of The Henley Festival Trust for the year ended 31 October 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” in preparing the annual report and financial statements of the charity in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

The purpose of the charity is the advancement of the arts which includes musical, visual, literary, dramatic or any other arts, and the promotion and widening of public appreciation and interest in the arts in Henley-on-Thames and the surrounding area and other such places as the Trustees may from time to time determine for the benefit of the public.

The organisation carries out its purpose in two main ways:

1) through the provision of the annual Henley Festival; and
2) by supporting emerging talent, both on the stage and behind the scenes, and working with local and national organisations that widen access and participation in the arts and improve the diversity of those involved in the arts.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake and in respect of public benefit.

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)'.

Achievements and performance

2024 saw another successful Festival and further opportunities under the RISE programme, which aims to inspire and support the next generation of talented musicians, artists and technicians aiming to work in the creative arts industry. This year showcased the talents of nine musical acts on a dedicated RISE stage, displayed exhibitions from four visual artists, and hosted four backstage crew students, working with internationally acclaimed sound and lighting companies.

Financial review

Review of Financial Result
The charity recorded a net expenditure before taxation of £129,993 (*2023: £167,679 net income)*. This takes reserves to £601,016 (*2023: £739,140)*.

Reserves policy
The Trustees are committed to maintaining sufficient unrestricted reserves to ensure that the charity can continue to promote its aims within the local community and support emerging talent more widely, and have set a target to maintain unrestricted funds between £400,000 - £500,000. The Trustees are satisfied that the current level of reserves is within the target range.

Going concern
The Trustees are of the opinion that the Charity has adequate resources to continue to operate 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.

Review of fundraising activities
The charity benefits from the generous support of the Patrons' Club for which the Trustees are extremely grateful. Funds are also raised through the Friends membership scheme which offers various levels of support, each attracting a range of benefits, and from corporate sponsorship, corporate members and donors.

The charity has a targeted approach to fundraising, and the CEO is supported by a specialist fundraising team. The charity's fundraising activities conform to all recognised standards and any complaints are dealt with by the CEO. There were no complaints received by the charity with regard to its fundraising activities during the year.

Review of subsidiary trading activity
Commercial activities are carried out by a wholly owned subsidiary, Henley Festival Limited. The Trustees were satisfied with the profit after taxation of £34,655 *(2023: £54,265).*

Structure, governance and management

Constitution
The Henley Festival Trust is a registered charity, number 1174338, and is registered as a Charitable Incorporated Organisation.

Organisational structure
The management of the Group and the Charity is the responsibility of the Trustees who are elected under the terms of the constitution of the Charitable Incorporated Organisation.

A Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the charity and a qualified accountant is appointed as Finance Director. The charity liaises regularly with its lawyers, accountants and professional advisers.

Trustee induction and training
New Trustees are provided with an introduction to the Charity, its organisation and an overview of its operations. Trustees are made aware of training opportunities and updates in charity law.

Key management remuneration
The pay of senior staff is reviewed annually by the Trustees, with reference to comparable organisations and to the local area.

Risk management
The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity and the trading subsidiary. The Trustees are satisfied that adequate systems are in place to safeguard the assets. Cashflow forecasts are prepared and reviewed on a regular basis to ensure that liabilities can be met as they fall due and to provide assurance that both are operating as going concerns.

Related parties
The charity owns 100% of the share capital of Henley Festival Limited, a company which carries out the commercial activities. Details of transactions with related parties are given in note 28 to the accounts.

Plans for future periods
The aim for this and future years is to build upon the success of recent years and continue to:

- develop Henley Festival as a credible and nationally recognised arts organisation which delights our audiences, partners, sponsors, Patrons and Friends;
- innovate and invest in order to offer a dynamic arts experience of the highest quality for our audiences, sponsors and corporate guests;
- transform people's lives by making a significant contribution to the cultural and economic life of Henley-on-Thames and the surrounding area;
- further develop and nurture the next generation of creative talent through the RISE programme, by creating more opportunities for emerging talent both on the stage and behind the scenes;
- ensure that the Festival continues to thrive through challenging economic times by the continued development and diversification of income sources, prudent budgeting and long term planning, effective cost control and environmental sustainability; and
- manage the Festival through a professional structure, with effective leadership and management, and building the confidence of our audiences and stakeholders.

Statement of Trustees' responsibilities
The Trustees 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).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 that Trustee is aware, there is no relevant audit information of which the charitable group'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 group's auditors are aware of that information.

Approved by order of the members of the board of Trustees on

19 Aug 2025

and signed on their behalf by:

S Laing
Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HENLEY FESTIVAL TRUST

Opinion

We have audited the financial statements of The Henley Festival Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 October 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated 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 Group's and of the parent charity's affairs as at 31 October 2024 and of the Group's 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 Group and parent charity 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 Group's or the parent charity'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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HENLEY FESTIVAL TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual 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 are responsible for the preparation of the financial statements which 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 Group's and the parent charity'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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HENLEY FESTIVAL TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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:

- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual results that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings;
- assessing any management override of controls by testing journal entries and other adjustments and reviewing accounting estimates for indications of potential bias;
- evaluating any transactions that are unusual or outside the normal course of business; and maintaining alert to any fraud risks throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity'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 charity'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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HENLEY FESTIVAL TRUST (CONTINUED)

FLB Audit LLP

FLB Audit LLP

Chartered Accountants
Statutory Auditors

1010 Eskdale Road

Winnersh Triangle

Wokingham

United Kingdom

RG41 5TS

Date: 19 Aug 2025

FLB Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 OCTOBER 2024

	Note	Designated funds 2024 £	Restricted funds 2024 £	General unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income and endowments from:						
Donations and legacies	4	-	-	**2,819**	**2,819**	*2,500*
Charitable activities	5	-	**25,226**	**3,130,390**	**3,155,616**	*3,249,293*
Other trading activities	6	-	-	**797,492**	**797,492**	*827,164*
Investments	7	-	-	**43,241**	**43,241**	*14,274*
Total income and endowments		-	**25,226**	**3,973,942**	**3,999,168**	*4,093,231*
Expenditure on:						
Raising funds		-	-	**497,584**	**497,584**	*520,393*
Charitable activities	8	-	**43,289**	**3,588,288**	**3,631,577**	*3,405,159*
Total expenditure		-	**43,289**	**4,085,872**	**4,129,161**	*3,925,552*
Net (expenditure)/income before taxation		-	**(18,063)**	**(111,930)**	**(129,993)**	*167,679*
Taxation	13	-	-	**(8,131)**	**(8,131)**	*(14,727)*
Net movement in funds		-	**(18,063)**	**(120,061)**	**(138,124)**	*152,952*
Reconciliation of funds:						
Total funds brought forward		**175,000**	**18,578**	**545,562**	**739,140**	*586,188*
Net movement in funds		-	**(18,063)**	**(120,061)**	**(138,124)**	*152,952*
Total funds carried forward		**175,000**	**515**	**425,501**	**601,016**	*739,140*

All income and expenditure derive from continuing activities.

The notes on pages 15 to 37 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2024

	Note		2024 £		*2023 £*
Fixed assets					
Tangible assets	14		**2,559**		*3,456*
			2,559		*3,456*
Current assets					
Debtors: amounts falling due within one year	16	**453,201**		*364,900*	
Cash at bank and in hand		**535,636**		*795,219*	
		988,837		*1,160,119*	
Creditors: amounts falling due within one year	17	**(376,213)**		*(400,268)*	
Net current assets			**612,624**		*759,851*
Total assets less current liabilities			**615,183**		*763,307*
Creditors: amounts falling due after more than one year	18		**(14,167)**		*(24,167)*
Total net assets			**601,016**		*739,140*
Charity funds					
Designated funds	20		**175,000**		*175,000*
Restricted funds	20		**515**		*18,578*
General unrestricted funds	20		**425,501**		*545,562*
Total funds			**601,016**		*739,140*

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

19 Aug 2025

S Laing

The notes on pages 15 to 37 form part of these financial statements.

CHARITY BALANCE SHEET
AS AT 31 OCTOBER 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	14		**2,559**		*3,456*
Investments	15		**10**		*10*
			2,569		*3,466*
Current assets					
Debtors: amounts falling due after more than one year	16	**915,380**		*915,380*	
Debtors: amounts falling due within one year	16	**204,411**		*208,528*	
Cash at bank and in hand		**534,666**		*772,938*	
		1,654,457		*1,896,846*	
Creditors: amounts falling due within one year	17	**(324,009)**		*(384,506)*	
Net current assets			**1,330,448**		*1,512,340*
Total assets less current liabilities			**1,333,017**		*1,515,806*
Creditors: amounts falling due after more than one year	18		**(14,167)**		*(24,167)*
Net assets			**1,318,850**		*1,491,639*
Total net assets			**1,318,850**		*1,491,639*

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2024

	Note		2024 £		2023 £
Charity funds					
Designated funds	20		**175,000**		*175,000*
Restricted funds	20		**515**		*18,578*
General unrestricted funds					
General funds	20	**1,143,335**		*1,298,061*	
Total general unrestricted funds	20		**1,143,335**		*1,298,061*
Total funds			**1,318,850**		*1,491,639*

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

19 Aug 2025

S Laing
Trustee

The notes on pages 15 to 37 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2024

	2024 £	*As restated* *2023* *£*
Cash flows from operating activities		
Net cash provided by operating activities	**(292,078)**	*162,458*
Cash flows from investing activities		
Dividends, interests and rents from investments	**43,241**	*14,274*
Net cash provided by investing activities	**43,241**	**14,274**
Cash flows from financing activities		
Repayments of borrowing	**(10,745)**	*(10,988)*
Net cash used in financing activities	**(10,745)**	**(10,988)**
Change in cash and cash equivalents in the year	**(259,582)**	**165,744**
Cash and cash equivalents at the beginning of the year	**795,219**	*629,475*
Cash and cash equivalents at the end of the year	**535,637**	*795,219*

The notes on pages 15 to 37 form part of these financial statements

1. General information

The Henley Festival Trust is a charitable incorporated organisation, registered in England and Wales. In the event of the charity being wound up, the members of the charitable incorporated organisation have no liability to contribute to its assets and no personal responsibility for settling its debts. The charity's registered number is 1174338 and registered office is The Leander Club, Henley-on-Thames, Oxfordshire, RG9 2LP. The nature of the charity's operations and principal activities are that of operating a music festival.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Henley Festival Trust 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.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

2.2 Going concern

The charity has prepared forecasts for the next two years and the Trustees believe that with the ongoing support of its Patrons and careful financial management the charity will have sufficient reserves to continue to operate for the foreseeable future.

2. Accounting policies (continued)

2.3 Income

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

Income from charitable activities is recognised at the fair value of the consideration received or receivable for tickets, parking, mooring and souvenir programme sales, together with sponsorship fees and concessions receivable and is shown net of VAT and sales taxes.

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

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred in support of expenditure on the objects of the charity and include the management and administration of the charity's activities.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

2.5 Interest receivable

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

2. Accounting policies (continued)

2.6 Taxation

The charitable parent entity is exempt from taxation on its activities. The trading subsidiary is subject to taxation on its activities. For the trading subsidiary tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the charity operates and generates income.

2.7 Tangible fixed assets and depreciation

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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	- 25% and 33%

2.8 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 Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 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.

2.10 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.

2. Accounting policies (continued)

2.11 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 Charity 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 Consolidated statement of financial activities as a finance cost.

2.12 Financial instruments

The Group 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.

2.13 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.14 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 Group 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 Group 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.

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 Charity 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.

Critical areas of judgment:

Doubtful debt provisions

The trustees have reviewed outstanding debtor balances within the Charity and its subsidiary at the year end date, with reference to post year end receipts, aging of debts and other relevant information relating to specific balances and based on the results of that review have formed a judgement about the appropriate level of provision for doubtful debts at the year end date.

As part of the review of debtor provisions, the trustees have also considered the recoverability of the amount owed by the subsidiary to the Charity. The trustees have concluded that as the subsidiary has returned to profitability and has several years of successive profits, there is not a need for providing against that balance in the individual entity Charity balance sheet as the subsidiary is capable of repaying it over time.

4. Income from donations and legacies

	Unrestricted funds 2024 £	**Total funds 2024 £**
Donations	2,819	**2,819**

	Unrestricted funds 2023 £	*Total funds 2023 £*
Donations	*2,500*	*2,500*

5. Income from charitable activities

	Restricted funds 2024 £	**Unrestricted funds 2024 £**	**Total funds 2024 £**
Charitable activities	25,226	3,130,390	**3,155,616**

	Restricted funds 2023 £	*Unrestricted funds 2023 £*	*Total funds 2023 £*
Charitable activities	*37,886*	*3,211,407*	*3,249,293*

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	**Total funds 2024 £**
Catering and hospitality income	784,172	**784,172**
Other trading income	13,320	**13,320**
	797,492	**797,492**

	Unrestricted funds 2023 £	*Total funds 2023 £*
Catering and hospitality income	*826,624*	*826,624*
Other trading income	*540*	*540*
	827,164	*827,164*

7. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Bank interest	43,239	**43,239**
Interest receivable	2	**2**
	43,241	**43,241**

	Unrestricted funds 2023 £	*Total funds 2023 £*
Bank interest	*14,273*	*14,273*
Interest receivable	*1*	*1*
	14,274	*14,274*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £
Direct costs	43,289	3,588,288	**3,631,577**

	Restricted funds 2023 £	*Unrestricted funds 2023 £*	*Total 2023 £*
Direct costs	*19,308*	*3,385,851*	*3,405,159*

9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	**Support costs 2024 £**	**Total funds 2024 £**
Direct costs	3,163,795	467,782	**3,631,577**

	Activities undertaken directly 2023 £	*Support costs 2023 £*	*Total funds 2023 £*
Direct costs	*2,952,158*	*453,001*	*3,405,159*

Analysis of direct costs

	Charity 2024 £	**Total funds 2024 £**
Artist costs	968,263	**968,263**
Event costs	1,873,529	**1,873,529**
Sponsor and fundraising support costs	44,771	**44,771**
Marketing costs	89,735	**89,735**
PRS fees	47,374	**47,374**
Freelance costs	96,834	**96,834**
RISE costs	43,289	**43,289**
	3,163,795	**3,163,795**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Charity 2023 £	*Total funds 2023 £*
Artist costs	*896,716*	*896,716*
Event costs	*1,738,372*	*1,738,372*
Sponsor and fundraising support costs	*36,218*	*36,218*
Marketing costs	*103,388*	*103,388*
PRS fees	*57,853*	*57,853*
Freelance costs	*100,303*	*100,303*
RISE costs	*19,308*	*19,308*
	2,952,158	*2,952,158*

Analysis of support costs

	Activities 2024 £	**Total funds 2024 £**
Staff costs	314,450	**314,450**
Depreciation	897	**897**
Office costs	119,344	**119,344**
Professional costs	32,346	**32,346**
Finance costs	745	**745**
	467,782	**467,782**

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Activities 2023 £	*Total funds 2023 £*
Staff costs	*304,311*	*304,311*
Depreciation	*1,218*	*1,218*
Office costs	*115,034*	*115,034*
Professional costs	*31,450*	*31,450*
Finance costs	*988*	*988*
	453,001	*453,001*

10. Auditors' remuneration

	2024 £	*2023 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**5,400**	*4,950*
Fees payable to the Charity's auditor in respect of:		
The auditing of accounts of associates of the Charity	**2,700**	*2,485*
All non-audit services not included above	**2,500**	*2,315*

11. Staff costs

	Group 2024 £	*Group 2023 £*	**Charity 2024 £**	*Charity 2023 £*
Wages and salaries	**265,238**	*266,366*	**265,238**	*266,366*
Social security costs	**21,522**	*20,738*	**21,522**	*20,738*
Contribution to defined contribution pension schemes	**27,690**	*17,207*	**27,690**	*17,207*
	314,450	*304,311*	**314,450**	*304,311*

11. Staff costs (continued)

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

	Group 2024 No.	*Group 2023 No.*	**Charity 2024 No.**	*Charity 2023 No.*
Employees	**9**	*9*	**9**	*8*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	*Group 2023 No.*
In the band £90,001 - £100,000	**1**	*-*
In the band £100,001 - £110,000	**-**	*1*

During the year, key management personnel received remuneration of £147,886 (*2023: £136,462).*

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 31 October 2024, no Trustee expenses have been incurred *(2023 - £NIL)*.

13. Taxation

	2024 £	*2023 £*
Corporation tax		
Current tax on net (expenditure)/income for the year	**8,131**	*4,324*
Total current tax	**8,131**	*4,324*
Deferred tax		
Origination and reversal of timing differences	**-**	*10,403*
Total deferred tax	**-**	*10,403*
Taxation on net (expenditure)/income	**8,131**	*14,727*

13. Taxation (continued)

The tax assessed for the year is higher than (*2023 - lower than*) the standard rate of corporation tax in the UK of 19% (*2023 - 23%*). The differences are explained below:

	2024	*2023*
	£	*£*
Net (expenditure)/income before tax	**(129,993)**	*167,679*
Net (expenditure)/income multiplied by the standard rate of corporation tax in the UK of 19 *(2023 - 23%).*	**(24,699)**	*38,566*
Effects of:		
Charitable activities not subject to taxation	**32,830**	*(22,205)*
Variances in tax rates	**-**	*(1,634)*
Total tax charge for the year	**8,131**	*14,727*

14. Tangible fixed assets

Group and Charity

	Plant and machinery £
Cost or valuation	
At 1 November 2023	**16,412**
At 31 October 2024	**16,412**
Depreciation	
At 1 November 2023	**12,956**
Charge for the year	**897**
At 31 October 2024	**13,853**
Net book value	
At 31 October 2024	**2,559**
At 31 October 2023	*3,456*

15. Fixed asset investments

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 November 2023	**10**
At 31 October 2024	**10**
Net book value	
At 31 October 2024	**10**
At 31 October 2023	*10*

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Henley Festival Limited	02284295	Leander Club, Henley On Thames, Henley-On-Thames, England, RG9 2LP	Catering and Hospitality Services

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

16. Debtors

	Charity 2024 £	Charity 2023 £
Due after more than one year		
Amounts owed by group undertakings	**915,380**	*915,380*

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Due within one year				
Trade debtors	**68,549**	*8,004*	**67,987**	*2,729*
Amounts owed by group undertakings	**-**	*-*	**30,358**	*188,157*
Other debtors	**369,905**	*347,856*	**91,318**	*8,601*
Prepayments and accrued income	**14,747**	*9,040*	**14,747**	*9,040*
	453,201	*364,900*	**204,410**	*208,527*

17. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Bank loans	**10,000**	*10,000*	**10,000**	*10,000*
Trade creditors	**29,276**	*17,739*	**28,727**	*17,546*
Corporation tax	**8,131**	*4,324*	**-**	*-*
Other taxation and social security	**15,918**	*26,017*	**5,402**	*18,773*
Other creditors	**12,987**	*22,255*	**12,987**	*22,254*
Accruals and deferred income	**299,901**	*319,933*	**266,893**	*315,933*
	376,213	*400,268*	**324,009**	*384,506*

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

	Group 2024 £	*Group 2023 £*	**Charity 2024 £**	*Charity 2023 £*
Bank loans	**14,167**	*24,167*	**14,167**	*24,167*

19. Financial instruments

	Group 2024 £	*Group 2023 £*	**Charity 2024 £**	*Charity 2023 £*
Financial assets				
Financial assets measured at amortised cost	**973,011**	*1,151,077*	**1,639,709**	*1,887,805*

	Group 2024 £	*Group 2023 £*	**Charity 2024 £**	*Charity 2023 £*
Financial liabilities				
Financial liabilities measured at amortised cost	**(390,381)**	*(187,605)*	**(324,009)**	*(172,443)*

Financial assets measured at amortised cost comprise of cash, trade debtors, other debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise of bank loans, trade creditors, amounts owed to group undertakings, accruals and other creditors.

20. Statement of funds

Statement of funds - current year

	Balance at 1 November 2023 £	Income £	Expenditure £	Taxation £	Balance at 31 October 2024 £
Unrestricted funds					
General Funds - all funds	**545,562**	**3,973,942**	**(4,085,872)**	**(8,131)**	**425,501**
Designated Funds					
CRF Grant	**150,000**	**-**	**-**	**-**	**150,000**
RISE	**25,000**	**-**	**-**	**-**	**25,000**
	175,000	**-**	**-**	**-**	**175,000**
Restricted funds					
RISE	**18,578**	**25,226**	**(43,289)**	**-**	**515**
Total of funds	**739,140**	**3,999,168**	**(4,129,161)**	**(8,131)**	**601,016**

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 November 2022 £	*Income* £	*Expenditure* £	*Taxation* £	*Transfers in/out* £	*Balance at 31 October 2023* £
Unrestricted funds						
General Funds - all funds	*436,188*	*4,055,345*	*(3,906,244)*	*(14,727)*	*(25,000)*	*545,562*
Designated funds						
CRF Grant	*150,000*	*-*	*-*	*-*	*-*	*150,000*
RISE	*-*	*-*	*-*	*-*	*25,000*	*25,000*
	150,000	*-*	*-*	*-*	*25,000*	*175,000*
Restricted funds						
RISE	*-*	*37,886*	*(19,308)*	*-*	*-*	*18,578*
Total of funds	*586,188*	*4,093,231*	*(3,925,552)*	*(14,727)*	*-*	*739,140*

21. Summary of funds

Summary of funds - current year

	Balance at 1 November 2023 £	**Income** £	**Expenditure** £	**Taxation** £	**Balance at 31 October 2024** £
General funds	**545,562**	**3,973,942**	**(4,085,872)**	**(8,131)**	**425,501**
Designated funds	**175,000**	**-**	**-**	**-**	**175,000**
Restricted funds	**18,578**	**25,226**	**(43,289)**	**-**	**515**
	739,140	**3,999,168**	**(4,129,161)**	**(8,131)**	**601,016**

21. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 November 2022 £	*Income* £	*Expenditure* £	*Taxation* £	*Transfers in/out* £	*Balance at 31 October 2023* £
General funds	*436,188*	*4,055,345*	*(3,906,244)*	*(14,727)*	*(25,000)*	*545,562*
Designated funds	*150,000*	*-*	*-*	*-*	*25,000*	*175,000*
Restricted funds	*-*	*37,886*	*(19,308)*	*-*	*-*	*18,578*
	586,188	*4,093,231*	*(3,925,552)*	*(14,727)*	*-*	*739,140*

Restricted fund
The restricted fund relates to income received in the current year for the RISE programme which aims to create opportunities for emerging talent to learn, perform and flourish. The income was received in order to cover specific costs of the charity and the income and the costs that it related to have thus been treated as restricted

Designated fund
The designated fund, CRF grant, as at 31 October 2024 had a balance of £150,000 (*2023: £150,000*). This fund relates to grant income received from a government body which aims to support cultural organisations and charities which have been impacted by Covid 19. The income was provided by the government body in order to boost the reserves of the Charity to provide financial stability and help secure its future. There has been no condition made in respect of what these monies may be spent on, thus the Trustees have treated the income as designated rather than restricted.

The designated fund, RISE, as at 31 October 2024 had a balance of £25,000 (*2023: £25,000)*. This fund relates to income received for the RISE programme which aims to create opportunities for emerging talent to learn, perform and flourish. There has been no condition made in respect of what these monies may be spent on, thus the Trustees have treated the income as designated rather than restricted.

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Designated funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	2,559	**2,559**
Current assets	175,000	515	813,322	**988,837**
Creditors due within one year	-	-	(376,213)	**(376,213)**
Creditors due in more than one year	-	-	(14,167)	**(14,167)**
Total	175,000	515	425,501	**601,016**

Analysis of net assets between funds - prior period

	Designated funds 2023 £	*Restricted funds 2023 £*	*Unrestricted funds 2023 £*	*Total funds 2023 £*
Tangible fixed assets	-	-	*3,456*	*3,456*
Current assets	*175,000*	*18,578*	*966,541*	*1,160,119*
Creditors due within one year	-	-	*(400,268)*	*(400,268)*
Creditors due in more than one year	-	-	*(24,167)*	*(24,167)*
Total	*175,000*	*18,578*	*545,562*	*739,140*

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

	Group 2024 £	Group As restated 2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(138,124)	152,952
Adjustments for:		
Depreciation charges	897	1,218
Dividends, interests and rents from investments	(42,496)	(13,286)
Decrease/(increase) in debtors	(88,301)	544
Increase/(decrease) in creditors	(32,185)	6,303
Taxation	8,131	14,727
Net cash provided by/(used in) operating activities	(292,078)	162,458

24. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand	535,637	795,219
Total cash and cash equivalents	535,637	795,219

25. Analysis of changes in net debt

	At 1 November 2023 £	Cash flows £	Other non-cash changes £	At 31 October 2024 £
Cash at bank and in hand	795,217	(259,580)	-	535,637
Debt due within 1 year	(10,000)	10,000	(10,000)	(10,000)
Debt due after 1 year	(24,167)	-	10,000	(14,167)
	761,050	(249,580)	-	511,470

26. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £27,690 (*2023: £17,207*). Contributions totalling £1,649 (*2023: £1,555)* were payable to the fund at the balance sheet date and are included in other creditors.

27. Operating lease commitments

At 31 October 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	*Group 2023 £*	**Charity 2024 £**	*Charity 2023 £*
Not later than 1 year	**457,139**	-	**457,139**	-
Later than 1 year and not later than 5 years	**1,360,917**	-	**1,360,917**	-
	1,818,056	-	**1,818,056**	-

28. Related party transactions

At the balance sheet date, there is an amount of £30,358 (*2023: £188,157*) included in amounts owed by group undertakings due within one year, which is owed by Henley Festival Limited to the charity. There is also an amount of £915,380 (*2023: £915,380*) included in amounts owed by group undertakings due in more than one year which is owed by Henley Festival Limited to the charity.

During the year the charity received Patrons' fees and donations totalling £10,500 (*2023: £10,500*) from Trustees. During the year, legal fees of £24,000 (*2023: £25,000*) were paid to a legal firm for which one of the Trustees acts as a consultant, and sponsorship totalling £6,000 (*2023: £5,000*) was received from that firm. Tickets and catering were also purchased by Trustees and all transactions were conducted on an arm's length basis.

At the year end there is a balance of £1,138 *(2023: £Nil)* owed to a member of key management personnel relating to payroll arrears.

29. Post balance sheet events

Following the year end, the trustees indicated their intention to write off the amount of £915,380 owed by the wholly owned limited company subsidiary to the charity. The trustees consider the write off to be in the best interests of the charity and its charitable objects. A write off of the loan would have no impact on the consolidated balance sheet or net assets, or the consolidated surplus for the period, but would result in the derecognition of a £915,380 debtor in the individual charity accounts and the introduction of a £915,380 investment instead.

Accounts

Charity number: 1174338
Registered number: CEO10828

THE HENLEY FESTIVAL TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2023

THE HENLEY FESTIVAL TRUST
(A charitable incorporated organisation)

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 OCTOBER 2023

Trustees	Lord S Carter, Chairman (Resigned 5 October 2023) A Mallin, Trustee Lord H D Leigh, Trustee J Hobbs, Trustee S Laing, Chairman (appointed Chairman 5 October 2023) M Homer, Trustee M Head, Trustee M Smith, Trustee
Charity registered number	1174338
Principal office	Leander Club Henley-On-Thames Oxfordshire RG9 2LP
Chief executive officer	J Bausor
Independent auditors	Donald Reid Limited Chartered Accountants Prince Albert House 20 King Street Maidenhead Berkshire SL6 1EF
Bankers	Lloyds Bank plc 25 Gresham Street London EC2V 7HN
Solicitors	The Head Partnership 2 Duke Street Henley-on-Thames RG9 1UP

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023

The Trustees present their annual report together with the audited financial statements of The Henley Festival Trust for the year ended 31 October 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” in preparing the annual report and financial statements of the charity in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

The purpose of the charity is the advancement of the arts which includes musical, visual, literary, dramatic or any other arts, and the promotion and widening of public appreciation and interest in the arts in Henley-on-Thames and the surrounding area and other such places as the Trustees may from time to time determine for the benefit of the public.

The organisation carries out its purpose in two main ways:

1) through the provision of the annual Henley Festival; and
2) by supporting emerging talent, both on the stage and behind the scenes, and working with local and national organisations that widen access and participation in the arts and improve the diversity of those involved in the arts.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake and in respect of public benefit.

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)'.

Achievements and performance

In 2022 the charity marked its 40th anniversary with a very successful Festival and the launch of the new charitable initiative, RISE, with the aim of inspiring and supporting the next generation of talented performers and technicians hoping to work in the creative arts industry. The charity built upon this further in 2023 with another very successful Festival and an expanded RISE programme - showcasing nine musical acts on a dedicated RISE stage, displaying exhibitions from four visual artists, and hosting four backstage crew students, working with internationally acclaimed sound and lighting companies.

Financial review

Review of Financial Result
The charity recorded a net income before taxation of £167,679 (*2022: £366,521*). This takes reserves to £739,140 (*2022: £586,188*).

Reserves policy
The Trustees are committed to maintaining sufficient unrestricted reserves to ensure that the charity can continue to promote its aims within the local community and support emerging talent more widely, and have set a target to maintain unrestricted funds between £400,000 - £500,000. The healthy net income recorded in 2022 and 2023 has taken reserves above this level, and the Trustees are pleased to have strong reserves at this time.

Going concern
The Trustees are of the opinion that the Charity has adequate resources to continue to operate 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.

Review of fundraising activities
The charity benefits from the generous support of the Patrons’ Club for which the Trustees are extremely grateful. Funds are also raised through the Friends membership scheme which offers various levels of support, each attracting a range of benefits, and from corporate sponsorship, corporate members and donors.

The charity has a targeted approach to fundraising, and the CEO is supported by a specialist fundraising team. The charity’s fundraising activities conform to all recognised standards and any complaints are dealt with by the CEO. There were no complaints received by the charity with regard to its fundraising activities during the year.

Review of subsidiary trading activity
Commercial activities are carried out by a wholly owned subsidiary, Henley Festival Limited. The Trustees were satisfied with the profit after taxation of £54,265.

Structure, governance and management

Constitution
The Henley Festival Trust is a registered charity, number 1174338, and is registered as a Charitable Incorporated Organisation.

Organisational structure
The management of the Group and the Charity is the responsibility of the Trustees who are elected under the terms of the constitution of the Charitable Incorporated Organisation.

A Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the charity and a qualified accountant is appointed as Finance Director. The charity liaises regularly with its lawyers, accountants and professional advisers.

Trustee induction and training
New Trustees are provided with an introduction to the Charity, its organisation and an overview of its operations. Trustees are made aware of training opportunities and updates in charity law.

Key management remuneration
The pay of senior staff is reviewed annually by the Trustees, with reference to comparable organisations and to the local area.

Risk management
The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity and the trading subsidiary. The Trustees are satisfied that adequate systems are in place to safeguard the assets. Cashflow forecasts are prepared and reviewed on a regular basis to ensure that liabilities can be met as they fall due and to provide assurance that both are operating as going concerns.

Related parties
The charity owns 100% of the share capital of Henley Festival Limited, a company which carries out the commercial activities. Details of transactions with related parties are given in note 28 to the accounts.

Plans for future periods
The aim for this and future years is to build upon the success of recent years and continue to:

- develop Henley Festival as a credible and nationally recognised arts organisation which delights our audiences, partners, sponsors, Patrons and Friends;
- innovate and invest in order to offer a dynamic arts experience of the highest quality for our audiences, sponsors and corporate guests;
- transform people’s lives by making a significant contribution to the cultural and economic life of Henley-on-Thames and the surrounding area;
- further develop and nurture the next generation of creative talent through the RISE programme, by creating more opportunities for emerging talent both on the stage and behind the scenes;
- ensure that the Festival continues to thrive through challenging economic times by the continued development and diversification of income sources, prudent budgeting and long term planning, effective cost control and environmental sustainability; and
- manage the Festival through a professional structure, with effective leadership and management, and building the confidence of our audiences and stakeholders.

Statement of Trustees' responsibilities
The Trustees 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).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 that Trustee is aware, there is no relevant audit information of which the charitable group'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 group's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 23 May 2024 and signed on their behalf by:

S Laing
Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HENLEY FESTIVAL TRUST

Opinion

We have audited the financial statements of The Henley Festival Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 October 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated 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 Group's and of the parent charity's affairs as at 31 October 2023 and of the Group's 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 Group and parent charity 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 Group's or the parent charity'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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HENLEY FESTIVAL TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual 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 are responsible for the preparation of the financial statements which 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 Group's and the parent charity'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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HENLEY FESTIVAL TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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:

- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual results that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings;
- assessing any management override of controls by testing journal entries and other adjustments and reviewing accounting estimates for indications of potential bias;
- evaluating any transactions that are unusual or outside the normal course of business; and maintaining alert to any fraud risks throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity'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 charity'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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HENLEY FESTIVAL TRUST (CONTINUED)

Jacqui Williams

Jacqui Williams FCA (Senior statutory auditor)
for and on behalf of
Donald Reid Limited

Chartered Accountants
Statutory Auditors

Prince Albert House

20 King Street

Maidenhead

Berkshire

SL6 1EF

Date: 10 Jun 2024

Donald Reid Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 OCTOBER 2023

	Note	Designated funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income and endowments from:						
Donations and legacies	4	-	-	**2,500**	**2,500**	*227,433*
Charitable activities	5	-	**37,886**	**3,211,407**	**3,249,293**	*2,939,724*
Other trading activities	6	-	-	**827,164**	**827,164**	*1,049,193*
Investments	7	-	-	**14,274**	**14,274**	*2*
Total income and endowments		-	**37,886**	**4,055,345**	**4,093,231**	*4,216,352*
Expenditure on:						
Raising funds		-	-	**520,393**	**520,393**	*691,917*
Charitable activities	8	-	**19,308**	**3,385,851**	**3,405,159**	*3,157,914*
Total expenditure		-	**19,308**	**3,906,244**	**3,925,552**	*3,849,831*
Net income before taxation		-	**18,578**	**149,101**	**167,679**	*366,521*
Taxation	13	-	-	**(14,727)**	**(14,727)**	*(15,712)*
Net income after taxation		-	**18,578**	**134,374**	**152,952**	*350,809*
Transfers between funds	21	**25,000**	-	**(25,000)**	-	-
Net movement in funds		**25,000**	**18,578**	**109,374**	**152,952**	*350,809*
Reconciliation of funds:						
Total funds brought forward		**150,000**	-	**436,188**	**586,188**	*235,379*
Net movement in funds		**25,000**	**18,578**	**109,374**	**152,952**	*350,809*
Total funds carried forward		**175,000**	**18,578**	**545,562**	**739,140**	*586,188*

All income and expenditure derive from continuing activities.

The notes on pages 16 to 39 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	14		**3,456**		*4,674*
			3,456		*4,674*
Current assets					
Debtors: amounts falling due within one year	16	**364,900**		*378,722*	
Cash at bank and in hand		**795,219**		*629,475*	
		1,160,119		*1,008,197*	
Creditors: amounts falling due within one year	17	**(400,268)**		*(392,516)*	
Net current assets			**759,851**		*615,681*
Total assets less current liabilities			**763,307**		*620,355*
Creditors: amounts falling due after more than one year	18		**(24,167)**		*(34,167)*
Net assets			**739,140**		*586,188*
Total net assets			**739,140**		*586,188*

THE HENLEY FESTIVAL TRUST
(A charitable incorporated organisation)

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2023

	Note		2023 £		*2022 £*
Charity funds					
Designated funds	21		**175,000**		*150,000*
Restricted funds	21		**18,578**		-
Unrestricted funds					
General funds	21	**545,562**		*436,188*	
Total general unrestricted funds	21		**545,562**		*436,188*
Total funds			**739,140**		*586,188*

The financial statements were approved and authorised for issue by the Trustees on 23 May 2024 and signed on their behalf by:

S Laing
Trustee

The notes on pages 16 to 39 form part of these financial statements.

CHARITY STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	14		**3,456**		*4,674*
Investments	15		**10**		*10*
			3,466		*4,684*
Current assets					
Debtors: amounts falling due after more than one year	16	**915,380**		*915,380*	
Debtors: amounts falling due within one year	16	**208,528**		*283,991*	
Cash at bank and in hand		**772,938**		*601,809*	
		1,896,846		*1,801,180*	
Creditors: amounts falling due within one year	17	**(384,506)**		*(378,745)*	
Net current assets			**1,512,340**		*1,422,435*
Total assets less current liabilities			**1,515,806**		*1,427,119*
Creditors: amounts falling due after more than one year	18		**(24,167)**		*(34,167)*
Net assets			**1,491,639**		*1,392,952*
Total net assets			**1,491,639**		*1,392,952*

CHARITY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2023

	Note		2023 £		2022 £
Charity funds					
Designated funds	21		**175,000**		*150,000*
Restricted funds	21		**18,578**		-
Unrestricted funds					
General funds	21	**1,298,061**		*1,242,952*	
Total general unrestricted funds	21		**1,298,061**		*1,242,952*
Total funds			**1,491,639**		*1,392,952*

The financial statements were approved and authorised for issue by the Trustees on 23 May 2024 and signed on their behalf by:

S Laing
Trustee

The notes on pages 16 to 39 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash provided by operating activities	**151,470**	*233,038*
Cash flows from investing activities		
Dividends, interests and rents from investments	**14,274**	*2*
Net cash provided by investing activities	**14,274**	**2**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**165,744**	**233,040**
Cash and cash equivalents at the beginning of the year	**629,475**	*396,435*
Cash and cash equivalents at the end of the year	**795,219**	*629,475*

The notes on pages 16 to 39 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

1. General information

The Henley Festival Trust is a charitable incorporated organisation, registered in England and Wales. In the event of the charity being wound up, the members of the charitable incorporated organisation have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilties. The charity's registered number is 1174338 and registered office is Leander Club Ltd, Henley-on-Thames, Oxfordshire, RG9 2LP. The nature of the charity's operations and principal activities are that of operating a music festival.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Henley Festival Trust 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.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

2.2 Going concern

The charity has prepared forecasts for the next two years and the Trustees believe that with the ongoing support of its Patrons and careful financial management the charity will have sufficient reserves to continue to operate for the foreseeable future.

2. Accounting policies (continued)

2.3 Income

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

Income from charitable activities is recognised at the fair value of the consideration received or receivable for tickets, parking, mooring and souvenir programme sales, together with sponsorship fees and concessions receivable and is shown net of VAT and sales taxes.

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

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

2.4 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred in support of expenditure on the objects of the charity and include the management and administration of the charity's activities.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2. Accounting policies (continued)

2.6 Interest receivable

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

2.7 Taxation

The charitable parent entity is exempt from taxation on its activities. The trading subsidiary is subject to taxation on its activities. For the trading subsidiary tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.8 Tangible fixed assets and depreciation

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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	- 25% and 33%

2.9 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 Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 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.

2. Accounting policies (continued)

2.11 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.

2.12 Liabilities

Liabilities and provisions 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 Charity 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 Consolidated statement of financial activities as a finance cost.

2.13 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

2.14 Financial instruments

The Group 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.

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Accounting policies (continued)

2.16 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 Group 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 Group 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.

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 Charity 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.

Critical areas of judgment:

The recognition of deferred tax assets is based upon whether it is more likely than not sufficient taxable profits will be available in the future. Recognition therefore involves judgement regarding the future financial performance of the particular legal entity in which the deferred tax asset has been recognised.

4. Income from donations and legacies

	Restricted funds 2023 £	**Unrestricted funds 2023 £**	**Total funds 2023 £**
Donations	-	2,500	**2,500**

	Restricted funds 2022 £	*Unrestricted funds 2022 £*	*Total funds 2022 £*

4. Income from donations and legacies (continued)

	Restricted funds 2022 £	*Unrestricted funds 2022 £*	*Total funds 2022 £*
Donations	-	*6,566*	*6,566*
Grants	*145,346*	*75,000*	*220,346*
Government grants	-	*521*	*521*
	145,346	*82,087*	*227,433*

The unrestricted funds in the year ended 31 October 2022 includes £75,000 which is included in designated funds. This was split out in the 31 October 2022 financial statements but has been included as part of unrestricted funds as above.

5. Income from charitable activities

	Restricted funds 2023 £	**Unrestricted funds 2023 £**	**Total funds 2023 £**
Charitable activities	37,886	3,211,407	**3,249,293**

	Unrestricted funds 2022 £	*Total funds 2022 £*
Charitable activities	*2,939,724*	*2,939,724*

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Catering and hospitality income	826,624	**826,624**
Other trading income	540	**540**
	827,164	**827,164**

	Unrestricted funds 2022 £	*Total funds 2022 £*
Catering and hospitality income	*1,044,796*	*1,044,796*
Other trading income	*4,397*	*4,397*
	1,049,193	*1,049,193*

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Bank interest	14,273	**14,273**
Interest receivable	1	**1**
	14,274	**14,274**

	Unrestricted funds 2022 £	*Total funds 2022 £*
Bank interest	*2*	*2*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £
Direct costs	19,308	3,385,851	**3,405,159**

	Restricted funds 2022 £	*Unrestricted funds 2022 £*	*Total 2022 £*
Direct costs	*145,346*	*3,012,568*	*3,157,914*

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Direct costs	2,952,158	453,001	**3,405,159**

	Activities undertaken directly 2022 £	*Support costs 2022 £*	*Total funds 2022 £*
Direct costs	*2,786,853*	*371,061*	*3,157,914*

Analysis of direct costs

	Charity 2023 £	Total funds 2023 £
Artist costs	896,716	**896,716**
Event costs	1,738,372	**1,738,372**
Sponsor and fundraising support costs	36,218	**36,218**
Marketing costs	103,388	**103,388**
Freelance costs	100,303	**100,303**
RISE costs	19,308	**19,308**
Royalty costs	57,853	**57,853**
	2,952,158	**2,952,158**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Charity 2022 £	*Total funds 2022 £*
Artist costs	*909,856*	*909,856*
Event costs	*1,602,937*	*1,602,937*
Sponsor and fundraising support costs	*43,194*	*43,194*
Marketing costs	*107,566*	*107,566*
Freelance costs	*123,300*	*123,300*
	2,786,853	*2,786,853*

Analysis of support costs

	Activities 2023 £	**Total funds 2023 £**
Staff costs	304,311	**304,311**
Depreciation	1,218	**1,218**
Office costs	115,034	**115,034**
Professional costs	31,450	**31,450**
Finance costs	988	**988**
	453,001	**453,001**

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Activities 2022 £	*Total funds 2022 £*
Staff costs	*228,782*	*228,782*
Depreciation	*1,656*	*1,656*
Office costs	*107,062*	*107,062*
Professional costs	*32,347*	*32,347*
Finance costs	*1,214*	*1,214*
	371,061	*371,061*

10. Auditors' remuneration

	2023 £	*As restated 2022 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**6,300**	*6,000*

11. Staff costs

	Group 2023 £	*Group 2022 £*	**Charity 2023 £**	*Charity 2022 £*
Wages and salaries	**266,366**	*192,254*	**266,366**	*192,254*
Social security costs	**20,738**	*10,060*	**20,738**	*10,060*
Contribution to defined contribution pension schemes	**17,207**	*26,468*	**17,207**	*26,468*
	304,311	*228,782*	**304,311**	*228,782*

11. Staff costs (continued)

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

	Group 2023 No.	*Group 2022 No.*	**Charity 2023 No.**	*Charity 2022 No.*
Employees	**9**	*7*	**8**	*7*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	*Group 2022 No.*
In the band £70,001 - £80,000	**-**	*1*
In the band £100,001 - £110,000	**1**	-

During the year, key management personnel received remuneration of £136,462 (*2022: £126,303*).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

During the year ended 31 October 2023, no Trustee expenses have been incurred *(2022 - £NIL)*.

13. Taxation

	2023 £	*2022 £*
Corporation tax		
Current tax on net income for the year	**4,324**	-
Total current tax	**4,324**	-
Deferred tax		
Origination and reversal of timing differences	**10,403**	*15,712*
Total deferred tax	**10,403**	*15,712*
Taxation on net income	**14,727**	*15,712*

13. Taxation (continued)

The tax assessed for the year is higher than (*2022 - higher than*) the standard rate of corporation tax in the UK of 23% (*2022 - 19%*). The differences are explained below:

	2023	*2022*
	£	*£*
Net income before tax	**167,679**	*366,521*
Net income multiplied by the standard rate of corporation tax in the UK of 23 *(2022 - 19%).*	**38,566**	*69,639*
Effects of:		
Charitable activities not subject to taxation	**(22,205)**	*(52,309)*
Variances in tax rates	**(1,634)**	*(1,618)*
Total tax charge for the year	**14,727**	*15,712*

14. Tangible fixed assets

Group and Charity

	Plant and machinery £
Cost or valuation	
At 1 November 2022	**16,412**
At 31 October 2023	**16,412**
Depreciation	
At 1 November 2022	**11,738**
Charge for the year	**1,218**
At 31 October 2023	**12,956**
Net book value	
At 31 October 2023	**3,456**
At 31 October 2022	*4,674*

15. Fixed asset investments

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 November 2022	**10**
At 31 October 2023	**10**
Net book value	
At 31 October 2023	**10**
At 31 October 2022	*10*

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Henley Festival Limited	02284295	Leander Club, Henley On Thames, Henley-On-Thames, England, RG9 2LP	Catering and Hospitality Services

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

16. Debtors

	Charity 2023 £	*Charity 2022 £*
Due after more than one year		
Amounts owed by group undertakings	**915,380**	*915,380*

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Due within one year				
Trade debtors	**8,004**	*14,310*	**2,729**	*12,150*
Amounts owed by group undertakings	**-**	*-*	**188,157**	*226,826*
Other debtors	**347,856**	*334,009*	**8,601**	*25,015*
Prepayments and accrued income	**9,040**	*20,000*	**9,040**	*20,000*
Deferred taxation	**-**	*10,403*	**-**	*-*
	364,900	*378,722*	**208,527**	*283,991*

17. Creditors: Amounts falling due within one year

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Bank loans	**10,000**	*10,000*	**10,000**	*10,000*
Trade creditors	**17,739**	*83,890*	**17,546**	*83,890*
Corporation tax	**4,324**	*-*	**-**	*-*
Other taxation and social security	**26,017**	*11,141*	**18,773**	*6,480*
Other creditors	**22,255**	*26,501*	**22,254**	*26,501*
Accruals and deferred income	**319,933**	*260,984*	**315,933**	*251,874*
	400,268	*392,516*	**384,506**	*378,745*

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

	Group 2023 £	*Group 2022 £*	**Charity 2023 £**	*Charity 2022 £*
Bank loans	**24,167**	*34,167*	**24,167**	*34,167*

19. Financial instruments

	Group 2023 £	*Group 2022 £*	**Charity 2023 £**	*Charity 2022 £*
Financial assets				
Financial assets measured at amortised cost	**1,151,077**	*977,794*	**1,887,805**	*1,781,180*

	Group 2023 £	*Group 2022 £*	**Charity 2023 £**	*Charity 2022 £*
Financial liabilities				
Financial liabilities measured at amortised cost	**(187,605)**	*(260,435)*	**(172,443)**	*(252,774)*

Financial assets measured at amortised cost comprise of cash, trade debtors, other debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise of bank loans, trade creditors, amounts owed to group undertakings, accruals and other creditors.

20. Deferred taxation

Group

	2023 £	2022 £
Charge for the year	**10,403**	*15,712*
	10,403	*15,712*

The deferred tax asset is made up as follows:

	Group 2023 £	Group 2022 £
Tax losses carried forward	**-**	*10,403*
	-	*10,403*

21. Statement of funds

Statement of funds - current year

	Balance at 1 November 2022 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Balance at 31 October 2023 £
Unrestricted funds						
General Funds - all funds	**436,188**	**4,055,345**	**(3,906,244)**	**(14,727)**	**(25,000)**	**545,562**
Designated Funds						
CRF Grant	**150,000**	**-**	**-**	**-**	**-**	**150,000**
RISE	**-**	**-**	**-**	**-**	**25,000**	**25,000**
	150,000	**-**	**-**	**-**	**25,000**	**175,000**
Restricted funds						
RISE	**-**	**37,886**	**(19,308)**	**-**	**-**	**18,578**
Total of funds	**586,188**	**4,093,231**	**(3,925,552)**	**(14,727)**	**-**	**739,140**

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 November 2021 £	*Income £*	*Expenditure £*	*Balance at 31 October 2022 £*
Unrestricted funds				
General Funds	*160,379*	*3,996,006*	*(3,720,197)*	*436,188*
Designated funds				
CRF Grant	*75,000*	*75,000*	-	*150,000*
Restricted funds				
Restricted funds	-	*145,346*	*(145,346)*	-
Total of funds	*235,379*	*4,216,352*	*(3,865,543)*	*586,188*

22. Summary of funds

Summary of funds - current year

	Balance at 1 November 2022 £	**Income £**	**Expenditure £**	**Taxation £**	**Transfers in/out £**	**Balance at 31 October 2023 £**
General funds	**436,188**	**4,055,345**	**(3,906,244)**	**(14,727)**	**(25,000)**	**545,562**
Designated funds	**150,000**	**-**	**-**	**-**	**25,000**	**175,000**
Restricted funds	**-**	**37,886**	**(19,308)**	**-**	**-**	**18,578**
	586,188	**4,093,231**	**(3,925,552)**	**(14,727)**	**-**	**739,140**

22. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 November 2021 £	*Income* £	*Expenditure* £	*Balance at 31 October 2022* £
General funds	*160,379*	*3,996,006*	*(3,720,197)*	*436,188*
Designated funds	*75,000*	*75,000*	*-*	*150,000*
Restricted funds	*-*	*145,346*	*(145,346)*	*-*
	235,379	*4,216,352*	*(3,865,543)*	*586,188*

Restricted fund
The restricted fund relates to income received in the current year for the RISE programme which aims to create opportunities for emerging talent to learn, perform and flourish. The income was received in order to cover specific costs of the charity and the income and the costs that it related to have thus been treated as restricted

The restricted fund in the prior year relates to grant income received from a government body which aims to support cultural organisations and charities which have been impacted by Covid 19. The income was granted in order to cover specific costs of the charity and the income and the costs that it related to have thus been treated as restricted.

Designated fund
The designated fund, CRF grant, as at 31 October 2023 had a balance of £150,000 (*2022: £150,000*). This fund relates to grant income received from a government body which aims to support cultural organisations and charities which have been impacted by Covid 19. The income was provided by the government body in order to boost the reserves of the Charity to provide financial stability and help secure its future. There has been no condition made in respect of what these monies may be spent on, thus the Trustees have treated the income as designated rather than restricted.

The designated fund, RISE, as at 31 October 2023 had a balance of £25,000 (*2022: £Nil*). This fund relates to income received for the RISE programme which aims to create opportunities for emerging talent to learn, perform and flourish. There has been no condition made in respect of what these monies may be spent on, thus the Trustees have treated the income as designated rather than restricted.

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Designated funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	3,456	**3,456**
Current assets	175,000	18,578	976,944	**1,170,522**
Creditors due within one year	-	-	(400,268)	**(400,268)**
Creditors due in more than one year	-	-	(24,167)	**(24,167)**
Provisions for liabilities and charges	-	-	(10,403)	**(10,403)**
Total	175,000	18,578	545,562	**739,140**

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

	Group 2023 £	*Group 2022 £*
Net income for the year (as per Statement of Financial Activities)	**152,952**	*350,809*
Adjustments for:		
Depreciation charges	**1,218**	*1,656*
Dividends, interests and rents from investments	**(14,274)**	*(2)*
Decrease in debtors	**544**	*41,408*
Decrease in creditors	**(3,697)**	*(176,545)*
Taxation	**14,727**	*15,712*
Net cash provided by operating activities	**151,470**	*233,038*

25. Analysis of cash and cash equivalents

	Group 2023 £	*Group 2022 £*
Cash in hand	**795,217**	*629,475*
Total cash and cash equivalents	**795,217**	*629,475*

26. Analysis of changes in net debt

	At 1 November 2022 £	Cash flows £	At 31 October 2023 £
Cash at bank and in hand	629,475	165,742	795,217
Debt due within 1 year	(10,000)	-	(10,000)
Debt due after 1 year	(34,167)	10,000	(24,167)
	585,308	175,742	761,050

27. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £17,207 (*2022: £26,468*). Contributions totalling £1,555 (*2022: £1,234*) were payable to the fund at the balance sheet date and are included in other creditors.

28. Related party transactions

At the balance sheet date, there is an amount of £188,157 (*2022: £226,826*) included in amounts owed by group undertakings due within one year, which is owed by Henley Festival Limited to the charity. There is also an amount of £915,380 (*2022: £915,380*) included in amounts owed by group undertakings due in more than one year which is owed by Henley Festival Limited to the charity.

During the year the charity received Patrons' fees and donations totalling £10,500 (*2022: £9,000*) from Trustees. During the year, legal fees of £25,000 (*2022: £28,000*) were paid to a legal firm for which one of the Trustees acts as a consultant, and sponsorship totalling £5,000 (*2022: £4,000*) was received from that firm. Tickets and catering were also purchased by Trustees and all transactions were conducted on an arm's length basis.

The charity has entered into agreements with Henley Royal Regatta to host the Festival at the site owned by Henley Royal Regatta, and for the provision of tentage. The amount payable to Henley Royal Regatta under these agreements for the year ended 31 October 2023 was £460,970 (*2022: £445,412*).

Accounts

Registered number: CEO10828
Charity number: 1174338

THE HENLEY FESTIVAL TRUST

(A charitable incorporated organisation)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

THE HENLEY FESTIVAL TRUST
(A charitable incorporated organisation)

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 OCTOBER 2022

Trustees

Company registered number

CEO10828

Charity registered number

1174338

Registered office

Leander Club, Henley-On-Thames, Oxfordshire, RG9 2LP

Chief executive officer

J Bausor

Independent auditors

Donald Reid Limited, 20 King Street, Maidenhead , Berkshire, SL6 1DT

Bankers

Lloyds Bank plc, 25 Gresham Street, London, EC2V 7HN

Solicitors

The Head Partnership, 2 Duke Street, Henley-on-Thames, RG9 1UP

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022

The Trustees present their annual report together with the audited financial statements of the The Henley Festival Trust for the year 1 November 2021 to 31 October 2022. The Annual report serves the purposes 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).

Structure, governance and management

The Henley Festival Trust is a Charitable Incorporated Organisation through which all charitable activities are run. Non charitable activities, including food, beverage, merchandise and corporate hospitality sales, are run through a wholly-owned subsidiary company, Henley Festival Limited.

The charity is managed by a Board of Trustees which meets regularly. There must be at least five Trustees, of which two must also serve as Directors of Henley Festival Limited, up to a maximum of nine Trustees.

A Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the charity and a qualified accountant is appointed as Finance Director. The charity liaises regularly with its lawyers, accountants and professional advisers.

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity. The Trustees are satisfied that adequate systems are in place to safeguard the assets. Cashflow forecasts are prepared and reviewed on a regular basis to ensure that liabilities can be met as they fall due and to provide assurance that both are operating as going concerns.

Objectives and aims

The purpose of the charity is the advancement of the arts which includes musical, visual, literary, dramatic or any other arts, and the promotion and widening of public appreciation and interest in the arts in Henley-on-Thames and the surrounding area and other such places as the Trustees may from time to time determine for the benefit of the public.

The organisation carries out its purpose in two main ways:

1) through the provision of the annual Henley Festival; and

2) by supporting emerging talent, both on the stage and behind the scenes, and working with local and national organisations that widen access and participation in the arts and improve the diversity of those involved in the arts.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake and in respect of public benefit.

Achievements and performance

The charity marked its 40th anniversary with a very successful Festival in 2022. The new charitable initiative, RISE, was launched, with the aim of inspiring and supporting the next generation of talented performers and technicians hoping to work in the creative arts industry.

Financial review

The charity recorded a net income before taxation of £366,521 *(2021: £132,806)*, which was assisted with grant income and reduced VAT rates following COVID-19. This takes reserves to £586,188 *(2021: £235,379)*.

The Trustees are committed to maintaining sufficient reserves to ensure that the charity can continue to promote its aims within the local community and support emerging talent more widely, and have set a target to maintain unrestricted funds between £250,000 - £400,000. The healthy net income recorded in 2022 has taken reserves above this level, and the Trustees are pleased to have strong reserves at this time.

Fundraising activities

The charity benefits from the generous support of the Patrons' Club. The Trustees are particularly grateful for the generous support of Patrons and supporters over the previous two years. Funds are also raised through the Friend's membership scheme which offers various levels of support, each attracting a range of benefits, and from corporate sponsorship, corporate members and donors.

The charity has a targeted approach to fundraising, with the CEO, supported by a specialist fundraising team. The charity's fundraising activities conform to all recognised standards and any complaints are dealt with by the CEO. There were no complaints received by the charity with regard to its fundraising activities during the year.

Plans for future periods

The aim for this and future years is to build upon the success of the 40th anniversary Festival held in 2022 and continue to:

• develop Henley Festival as a credible and nationally recognised arts organisation which delights our audiences, partners, sponsors, Patrons and Friends;

• innovate and invest in order to offer a dynamic arts experience of the highest quality for our audiences, sponsors and corporate guests;

• transform people's lives by making a significant contribution to the cultural and economic life of Henley-on-Thames and the surrounding area;

• further develop and nurture the next generation of creative talent through the new charitable initiative, RISE, which was successfully launched in the 40th anniversary year, by creating more opportunities for emerging talent both on the stage and behind the scenes;

• ensure that the Festival continues to thrive through challenging economic times by the continued development and diversification of income sources, prudent budgeting and long term planning, effective cost control and environmental sustainability; and

• drive the Festival to become ever more professionally structured, with effective leadership and management, and building the confidence of our audiences and stakeholders.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the 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.

Trustees' responsibilities statement

The Trustees (who are also directors of The Henley Festival Trust 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 that Trustee is aware, there is no relevant audit information of which the charitable group'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 group's auditors are aware of that information.

Auditors

The auditors, Donald Reid Limited, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees on 21 July 2023 and signed on their behalf by:

Lord Carter CBE
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENLEY FESTIVAL TRUST

Opinion

We have audited the financial statements of The Henley Festival Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 October 2022 set out on pages 9 to 31. 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 group's and of the parent charitable company's affairs as at 31 October 2022 and of the group's 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 group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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
- the parent charity has not kept sufficient accounting records; or
- the parent charity 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 are responsible for the preparation of financial statements which 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 group's and the parent charity'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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENLEY FESTIVAL TRUST

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

- enquiring of management concerning actual and potential litigation and claims;

- performing analytical procedures to identify any unusual results that may indicate risks of material misstatement due to fraud;

- reading minutes of meetings;

- assessing any management override of controls by testing journal entries and other adjustments and reviewing accounting estimates for indications of potential bias;

- evaluating any transactions that are unusual or outside the normal course of business; and maintaining alert to any fraud risks throughout the audit

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

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENLEY FESTIVAL TRUST

Jacqui Williams (Senior statutory auditor)
for and on behalf of
Donald Reid Limited

Chartered Accountants
Statutory Auditors

20 King Street
Maidenhead
Berkshire
SL6 1DT
21 July 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income and endowments from:						
Donations and legacies	2	**7,087**	**145,346**	**75,000**	**227,433**	*326,844*
Charitable activities	3	**2,939,724**	**-**	**-**	**2,939,724**	*2,340,177*
Other trading activities	4	**1,049,193**	**-**	**-**	**1,049,193**	*290,657*
Investments	5	**2**	**-**	**-**	**2**	*70*
Total income and endowments		**3,996,006**	**145,346**	**75,000**	**4,216,352**	*2,957,748*
Expenditure on:						
Other trading activities	4	**691,917**	**-**	**-**	**691,917**	*184,798*
Charitable activities		**3,012,568**	**145,346**	**-**	**3,157,914**	*2,640,144*
Total expenditure	8	**3,704,485**	**145,346**	**-**	**3,849,831**	*2,824,942*
Net income before taxation		**291,521**	**-**	**75,000**	**366,521**	*132,806*
Taxation		**(15,712)**	**-**	**-**	**(15,712)**	*(439)*
Net income before other recognised gains and losses		**275,809**	**-**	**75,000**	**350,809**	*132,367*
Net movement in funds		**275,809**	**-**	**75,000**	**350,809**	*132,367*
Reconciliation of funds:						
Total funds brought forward		**160,379**	**-**	**75,000**	**235,379**	*103,012*
Total funds carried forward		**436,188**	**-**	**150,000**	**586,188**	*235,379*

The notes on pages 14 to 31 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2022

	Note	£	2022 £	£	*2021* *£*
Fixed assets					
Tangible assets	12		**4,674**		*6,330*
Current assets					
Debtors	14	**378,722**		*435,840*	
Cash at bank and in hand		**629,475**		*396,435*	
		1,008,197		*832,275*	
Creditors: amounts falling due within one year	15	**(392,516)**		*(560,726)*	
Net current assets			**615,681**		*271,549*
Total assets less current liabilities			**620,355**		*277,879*
Creditors: amounts falling due after more than one year	16		**(34,167)**		*(42,500)*
Net assets			**586,188**		*235,379*
Charity Funds					
Designated funds	18		**150,000**		*75,000*
Unrestricted funds	18		**436,188**		*160,379*
Total funds			**586,188**		*235,379*

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on 21 July 2023 and signed on their behalf, by:

Lord Carter CBE

The notes on pages 14 to 31 form part of these financial statements.

CHARITY BALANCE SHEET
AS AT 31 OCTOBER 2022

	Note	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	12		**4,674**		*6,330*
Investments	13		**10**		*10*
			4,684		*6,340*
Current assets					
Debtors: amounts falling due after more than one year	14	**915,380**		*915,380*	
Debtors: amounts falling due within one year	14	**283,991**		*398,816*	
Cash at bank and in hand		**601,809**		*383,990*	
		1,801,180		*1,698,186*	
Creditors: amounts falling due within one year	15	**(378,745)**		*(544,382)*	
Net current assets			**1,422,435**		*1,153,804*
Total assets less current liabilities			**1,427,119**		*1,160,144*
Creditors: amounts falling due after more than one year	16		**(34,167)**		*(42,500)*
Net assets			**1,392,952**		*1,117,644*
Charity Funds					
Designated funds			**150,000**		*75,000*
Unrestricted funds			**1,242,952**		*1,042,644*
Total funds			**1,392,952**		*1,117,644*

CHARITY BALANCE SHEET (continued)
AS AT 31 OCTOBER 2022

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

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Lord Carter CBE

The notes on pages 14 to 31 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2022

	Note	2022 £	*2021* *£*
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	**233,038**	*(637,704)*
Cash flows from investing activities:			
Dividends, interest and rents from investments		**2**	*70*
Net cash provided by investing activities		**2**	*70*
Change in cash and cash equivalents in the year		**233,040**	*(637,634)*
Cash and cash equivalents brought forward		**396,435**	*1,034,069*
Cash and cash equivalents carried forward	21	**629,475**	*396,435*

The notes on pages 14 to 31 form part of these financial statements.

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Henley Festival Trust 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.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

1.2 Charity status

The charity is a charitable incorporated organisation. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the members of the charitable incorporated organisation have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

1.3 Going concern

The charity has prepared forecasts for the next two years and the Trustees believe that with the ongoing support of its Patrons and careful financial management the charity will have sufficient reserves to continue to operate for the foreseeable future.

1. Accounting Policies (continued)

1.4 Income

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

Income from charitable activities is recognised at the fair value of the consideration received or receivable for tickets, parking, mooring and souvenir programme sales, together with sponsorship fees and concessions receivable and is shown net of VAT and sales taxes.

Income tax receivable in relation to donations received under Gift Aid is recognised at the time of donation.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

1.5 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred in support of expenditure on the objects of the charity and include the management and administration of the charity's activities.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

1. Accounting Policies (continued)

1.6 Basis of consolidation

The financial statements consolidate the accounts of The Henley Festival Trust and all of its subsidiary undertakings ('subsidiaries').

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.7 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

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

Plant and machinery	-	25% and 33% on reducing balance

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 fair 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 shown in the heading ‘Gains/(losses) on investments’ in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.10 Operating leases

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

1.11 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. Accounting Policies (continued)

1.12 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.

1.13 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 charity 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 within interest payable and similar charges.

1.14 Financial instruments

The charity 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.

1.15 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

1.16 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund and to personal pension plans in respect of the year.

1. Accounting Policies (continued)

1.17 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 charity 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 charity 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.

1.18 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 charity 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.

Critical areas of judgment:

The recognition of deferred tax assets is based upon whether it is more likely than not sufficient taxable profits will be available in the future. Recognition therefore involves judgement regarding the future financial performance of the particular legal entity in which the deferred tax asset has been recognised.

2. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Donations and legacies	6,566	-	-	6,566	*58,294*
Grants	-	145,346	75,000	220,346	*236,073*
Government grants	521	-	-	521	*32,477*
Total donations and legacies	7,087	145,346	75,000	227,433	*326,844*
Total 2021	*90,771*	*161,073*	*75,000*	*326,844*	

3. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Charitable activities	2,939,724	-	-	2,939,724	*2,340,177*
Total 2021	*2,340,177*	*-*	*-*	*2,340,177*	

4. Income from trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Catering and other trading income	**1,049,193**	**-**	**-**	**1,049,193**	*290,657*
	1,049,193	**-**	**-**	**1,049,193**	*290,657*
Other trading expenses					
Catering and hospitality costs	**680,481**	**-**	**-**	**680,481**	*-*
Support costs	**11,436**	**-**	**-**	**11,436**	*184,798*
	691,917	**-**	**-**	**691,917**	*184,798*
Net income from trading activities	**357,276**	**-**	**-**	**357,276**	*105,859*

5. Investment income

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Bank interest	**2**	**-**	**-**	**2**	*70*
Total 2021	*70*	*-*	*-*	*70*	

6. Direct costs

	Charity £	Total 2022 £	*Total 2021 £*
Artist costs	**909,856**	**909,856**	*650,292*
Event costs	**1,602,937**	**1,602,937**	*1,418,090*
Sponsor and fundraising support costs	**43,194**	**43,194**	*38,008*
Marketing costs	**107,566**	**107,566**	*53,656*
Freelance costs	**123,300**	**123,300**	*87,410*
	2,786,853	**2,786,853**	*2,247,456*
Total 2021	*2,247,456*	*2,247,456*	

7. Support costs

	Activities £	Total 2022 £	*Total 2021 £*
Office costs	**107,062**	**107,062**	*86,566*
Professional costs	**32,347**	**32,347**	*37,934*
Finance costs	**1,214**	**1,214**	*938*
Wages and salaries	**192,254**	**192,254**	*230,910*
National insurance	**10,060**	**10,060**	*17,622*
Pension cost	**26,468**	**26,468**	*16,461*
Depreciation	**1,656**	**1,656**	*2,257*
	371,061	**371,061**	*392,688*
Total 2021	*392,688*	*392,688*	

8. Analysis of Expenditure by expenditure type

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £	*Total 2021 £*
Expenditure on other trading activities	-	-	691,917	691,917	*184,798*
Costs of raising funds	-	-	691,917	691,917	*184,798*
Charity	228,782	1,656	2,927,476	3,157,914	*2,640,144*
	228,782	1,656	3,619,393	3,849,831	*2,824,942*
Total 2021	*264,993*	*2,257*	*2,557,692*	*2,824,942*	

9. Net income/(expenditure)

This is stated after charging:

	2022 £	*2021 £*
Depreciation of tangible fixed assets:		
- owned by the charitable group	1,656	*2,257*
Auditors' remuneration - audit	9,000	*11,845*

During the year, no Trustees received any remuneration (2021 - £NIL).
During the year, no Trustees received any benefits in kind (2021 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2021 - £NIL).

10. Auditors' remuneration

The Auditor's remuneration amounts to an Audit fee of £9,000 *(2021: £11,845)*.

11. Staff costs

Staff costs were as follows:

	2022 £	*2021* *£*
Wages and salaries	**192,254**	*230,910*
Social security costs	**10,060**	*17,622*
Other pension costs	**26,468**	*16,461*
	228,782	*264,993*

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

	2022 No.	*2021* *No.*
	16	*7*

During the year, one employee and member of key management personnel received remuneration over £60,000 *(2021: £60,000)*.

During the year, key management personnel received remuneration of £126,303 *(2021: £139,157)*.

12. Tangible fixed assets

Group	Plant and machinery £
Cost	
At 1 November 2021 and 31 October 2022	**16,412**
Depreciation	
At 1 November 2021	**10,082**
Charge for the year	**1,656**
At 31 October 2022	**11,738**
Net book value	
At 31 October 2022	**4,674**
At 31 October 2021	*6,330*

Charity	Plant and machinery £
Cost	
At 1 November 2021 and 31 October 2022	**16,412**
Depreciation	
At 1 November 2021	**10,082**
Charge for the year	**1,656**
At 31 October 2022	**11,738**
Net book value	
At 31 October 2022	**4,674**
At 31 October 2021	*6,330*

13. Fixed asset investments

Charity	Shares in group undertakings £
At 1 November 2021 and 31 October 2022	**10**

Charity investments comprise:

	2022 £	*2021 £*
Investments in subsidiaries	**10**	*10*

The only subsidiary of The Henley Festival Trust is Henley Festival Limited (company number 02284295). The Henley Festival Trust owns 100% of the share capital of Henley Festival Limited.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

14. Debtors

	Group		Charity	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	**£**
Due after more than one year				
Amounts owed by group undertakings	**-**	*-*	**915,380**	*915,380*

	Group		Charity	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Due within one year				
Trade debtors	**14,310**	*124,629*	**12,150**	*109,096*
Amounts owed by group undertakings	**-**	*-*	**226,826**	*283,386*
Other debtors	**334,009**	*275,096*	**25,015**	*6,334*
Prepayments and accrued income	**20,000**	*10,000*	**20,000**	*-*
Deferred tax asset (see note 17)	**10,403**	*26,115*	**-**	*-*
	378,722	*435,840*	**283,991**	*398,816*

15. Creditors: Amounts falling due within one year

	Group		Charity	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Bank loans and overdrafts	**10,000**	*7,500*	**10,000**	*7,500*
Trade creditors	**83,890**	*175,890*	**83,890**	*171,232*
Other taxation and social security	**11,141**	*35,686*	**6,480**	*30,200*
Other creditors	**26,501**	*81,198*	**26,501**	*81,198*
Accruals and deferred income	**260,984**	*260,452*	**251,874**	*254,252*
	392,516	*560,726*	**378,745**	*544,382*

16. Creditors: Amounts falling due after more than one year

	Group		Charity	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Bank loans	**34,167**	*42,500*	**34,167**	*42,500*

Creditors include amounts not wholly repayable within 5 years as follows:

	Group		Charity	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Repayable by instalments	**-**	*2,500*	**-**	*2,500*

17. Deferred taxation

	Group		Charity	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
At beginning of year	**26,115**	*26,554*	**-**	*-*
(Charge for)/released during the year (P&L)	**(15,712)**	*(439)*	**-**	*-*
At end of year	**10,403**	*26,115*	**-**	*-*

The deferred taxation balance is made up as follows:

	Group		Charity	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Tax losses carried forward	**10,403**	*26,115*	**-**	*-*

18. Statement of funds

Statement of funds - current year

	Balance at 1 November 2021 £	Income £	Expenditure £	Balance at 31 October 2022 £
Unrestricted funds				
General Funds	**160,379**	**3,996,006**	**(3,720,197)**	**436,188**
Designated funds				
Designated funds	**75,000**	**75,000**	**-**	**150,000**
Restricted funds				
Restricted Funds	**-**	**145,346**	**(145,346)**	**-**
Total of funds	**235,379**	**4,216,352**	**(3,865,543)**	**586,188**

Statement of funds - prior year

	Balance at 1 November 2020 £	*Income £*	*Expenditure £*	*Balance at 31 October 2021 £*
General Funds	*103,012*	*2,721,675*	*(2,664,308)*	*160,379*
Designated funds	*-*	*75,000*	*-*	*75,000*
Restricted funds				
Restricted Funds	*-*	*161,073*	*(161,073)*	*-*
Total of funds	*103,012*	*2,957,748*	*(2,825,381)*	*235,379*

Summary of funds - current year

	Balance at 1 November 2021 £	Income £	Expenditure £	Balance at 31 October 2022 £
General funds	**160,379**	**3,996,006**	**(3,720,197)**	**436,188**
Designated funds	**75,000**	**75,000**	**-**	**150,000**
Restricted funds	**-**	**145,346**	**(145,346)**	**-**
	235,379	**4,216,352**	**(3,865,543)**	**586,188**

Summary of funds - prior year

	Balance at 1 November 2020 £	*Income £*	*Expenditure £*	*Balance at 31 October 2021 £*
General funds	*103,012*	*2,721,675*	*(2,664,308)*	*160,379*
Endowment funds	*-*	*75,000*	*-*	*75,000*
Restricted funds	*-*	*161,073*	*(161,073)*	*-*
	103,012	*2,957,748*	*(2,825,381)*	*235,379*

Restricted fund
The restricted fund relates to grant income received from a government body which aims to support cultural organisations and charities which have been impacted by Covid 19. The income was granted in order to cover specific costs of the charity and the income and the costs that it related to have thus been treated as restricted.

Designated fund
The designated fund relates to grant income received from a government body which aims to support cultural organisations and charities which have been impacted by Covid 19. The income was provided by the government body in order to boost the reserves of the Charity to provide financial stability and help secure its future. There has been no condition made in respect of what these monies may be spent on, thus the Trustees have treated the income as designated rather than restricted.

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Tangible fixed assets	**4,674**	**-**	**-**	**4,674**
Current assets	**847,792**	**-**	**150,000**	**997,792**
Creditors due within one year	**(392,514)**	**-**	**-**	**(392,514)**
Creditors due in more than one year	**(34,167)**	**-**	**-**	**(34,167)**
Provisions for liabilities and charges	**10,403**	**-**	**-**	**10,403**
	436,188	**-**	**150,000**	**586,188**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Designated funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	*6,330*	*-*	*-*	*6,330*
Current assets	*731,158*	*-*	*75,000*	*806,158*
Creditors due within one year	*(560,724)*	*-*	*-*	*(560,724)*
Creditors due in more than one year	*(42,500)*	*-*	*-*	*(42,500)*
Provisions for liabilities and charges	*26,115*	*-*	*-*	*26,115*
	160,379	*-*	*75,000*	*235,379*

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

	Group	
	2022 £	*2021 £*
Net income for the year (as per Statement of Financial Activities)	**350,809**	*132,367*
Adjustment for:		
Depreciation charges	**1,656**	*2,257*
Dividends, interest and rents from investments	**(2)**	*(70)*
Decrease in stocks	**-**	*8,068*
Decrease in debtors	**41,408**	*738,811*
Decrease in creditors	**(176,545)**	*(1,519,576)*
Taxation	**15,712**	*439*
Net cash provided by/(used in) operating activities	**233,038**	*(637,704)*

21. Analysis of cash and cash equivalents

	Group	
	2022	*2021*
	£	*£*
Cash in hand	**629,475**	*396,435*
Total	**629,475**	*396,435*

22. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and to personal pension plans and amounted to £26,468 *(2021: £16,461)*.

Contributions totalling £1,234 *(2021: £1,245)* were payable to the fund at the balance sheet date and are included in creditors.

23. Related party transactions

At the balance sheet date, there is an amount of £226,826 *(2021: £283,386)* included in amounts owed by group undertakings due within one year, which is owed by Henley Festival Limited to the charity. There is also an amount of £915,380 *(2021: £915,380)* included in amounts owed by group undertakings due in more than one year which is owed by Henley Festival Limited to the charity.

During the year the charity received Patrons' fees and donations totalling £9,000 *(2021: £15,000)* from Trustees. During the year, legal fees of £28,000 *(2021: £28,500)* were paid to a legal firm for which one of the Trustees acts as a consultant, and sponsorship totalling £4,000 *(2021: £Nil)* was receveid from that firm. Tickets and catering were also purchased by Trustees and all transactions were conducted on an arm's length basis.

Accounts

Registered number: CEO10828
Charity number: 1174338

THE HENLEY FESTIVAL TRUST

(A charitable incorporated organisation)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2021

THE HENLEY FESTIVAL TRUST
(A charitable incorporated organisation)

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THE HENLEY FESTIVAL TRUST

(A charitable incorporated organisation)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 OCTOBER 2021

Trustees

Company registered number

CEO10828

Charity registered number

1174338

Registered office

Leander Club, Henley-On-Thames, Oxfordshire, RG9 2LP

Chief executive officer

J Bausor

Independent auditors

Donald Reid Limited, Prince Albert House, 20 King Street, Maidenhead, Berkshire, SL6 1DT

Bankers

Lloyds Bank plc, 1 Reading Road, Henley-on-Thames, RG9 1AE

Solicitors

The Head Partnership, 2 Duke Street, Henley-on-Thames, RG9 1UP

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2021

The Trustees present their annual report together with the audited financial statements of the group and the charity for the year 1 November 2020 to 31 October 2021. The Trustees confirm that the Annual Report and financial statements of the group comply with the current statutory requirements, the requirements of the group's governing documents 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 (FRS 102) published in October 2019.

Structure, governance and management

The Henley Festival Trust is a Charitable Incorporated Organisation through which all charitable activities are run. Non charitable activities, including food, beverage, merchandise and corporate hospitality sales, are run through a wholly-owned subsidiary company, Henley Festival Limited.

The charity is managed by a Board of Trustees which meets regularly. There must be at least five Trustees, of which two must also serve as Directors of Henley Festival Limited, up to a maximum of nine Trustees.

A Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the charity and a qualified accountant is appointed as Finance Director. The charity liaises regularly with its lawyers, accountants and professional advisers.

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity. The Trustees are satisfied that adequate systems are in place to safeguard the assets. Cashflow forecasts are prepared and reviewed on a regular basis to ensure that liabilities can be met as they fall due and to provide assurance that the limited company and charity are operating as going concerns.

Objectives and aims

The purpose of the charity is the advancement of the arts which includes musical, visual, literary, dramatic or any other arts, and the promotion and widening of public appreciation and interest in the arts in Henley-on-Thames and the surrounding area and other such places as the Trustees may from time to time determine for the benefit of the public.

The organisation carries out its purpose in two main ways:

1) through the provision of the annual Henley Festival; and

2) by supporting emerging talent, both on the stage and behind the scenes, and working with local and national organisations that widen access and participation in the arts and improve the diversity of those involved in the arts.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake and in respect of public benefit.

Achievements and performance

Following the postponement of the Festival in 2020 due to COVID-19 restrictions, the event went ahead successfully in September 2021.

Financial review

The charity recorded a net income before taxation of £132,806 *(2020: £134,237 loss)*.

Following a reduction in reserves in the previous year due to the deficit resulting from the impact of COVID-19, reserves have increased to pre-pandemic levels and now stand at £235,379.

The Trustees are committed to maintaining sufficient reserves to ensure that the charity can continue to promote its aims within the local community and to support emerging talent more widely, and have set a target to maintain unrestricted funds between £250,000 - £400,000.

Fundraising activities

The charity benefits from the generous support of the Patrons' Club. The Trustees are particularly grateful for the generous support of Patrons and supporters over the previous two years. Funds are also raised through the Friend's membership scheme which offers various levels of support, each attracting a range of benefits, and from corporate sponsorship, corporate members and donors.

The charity has a targeted approach to fundraising, with the CEO, supported by a specialist fundraising team. The charity's fundraising activities conform to all recognised standards and any complaints are dealt with by the CEO. There were no complaints received by the charity with regard to its fundraising activities during the year.

Plans for future periods

2022 is the 40th anniversary of the Henley Festival. The aim for this and future years is to continue to:

• develop Henley Festival as a credible and nationally recognised arts organisation which delights our audiences, partners, sponsors, Patrons and Friends;

• innovate and invest in order to offer a dynamic arts experience of the highest quality for our audiences, sponsors and corporate guests;

• transform people's lives by making a significant contribution to the cultural and economic life of Henley-on-Thames and the surrounding area;

• develop and nurture the next generation of creative talent through the new charitable initiative, RISE, launched in the 40th anniversary year to support emerging talent both on the stage and behind the scenes;

• ensure that the Festival continues to thrive through challenging economic times by the continued development and diversification of income sources, prudent budgeting and long term planning, effective cost control and environmental sustainability; and

• drive the Festival to become ever more professionally structured, with effective leadership and management, and building the confidence of our audiences and stakeholders.

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 that Trustee is aware, there is no relevant audit information of which the charitable group'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 group's auditors are aware of that information.

This report was approved by the Trustees on 1 July 2022 and signed on their behalf by:

Stephen Carter

Lord Carter of Barnes
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENLEY FESTIVAL TRUST

Opinion

We have audited the financial statements of The Henley Festival Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 October 2021 set out on pages 9 to 30. 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 group's and of the parent charitable company's affairs as at 31 October 2021 and of the group's 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 group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENLEY FESTIVAL TRUST

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
- the parent charity has not kept sufficient accounting records; or
- the parent charity 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 are responsible for the preparation of financial statements which 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 group's and the parent charity'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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENLEY FESTIVAL TRUST

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.
We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

• enquiring of management concerning actual and potential litigation and claims;

• performing analytical procedures to identify any unusual results that may indicate risks of material misstatement due to fraud;

• reading minutes of meetings;

• assessing any management override of controls by testing journal entries and other adjustments and reviewing accounting estimates for indications of potential bias;

• evaluating any transactions that are unusual or outside the normal course of business; and maintaining alert to any fraud risks throughout the audit
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENLEY FESTIVAL TRUST

Daniel Reid FCA (Senior statutory auditor)
for and on behalf of
Donald Reid Limited

Chartered Accountants
Statutory Auditors

Prince Albert House
20 King Street
Maidenhead
Berkshire
SL6 1DT
1 July 2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	*As restated Total funds 2020 £*
Income and endowments from:						
Donations and legacies	2	**90,771**	**161,073**	**75,000**	**326,844**	*60,711*
Charitable activities	3	**2,340,177**	**-**	**-**	**2,340,177**	*391,890*
Other trading activities	4	**290,657**	**-**	**-**	**290,657**	*-*
Investments	5	**70**	**-**	**-**	**70**	*220*
Total income and endowments		**2,721,675**	**161,073**	**75,000**	**2,957,748**	*452,821*
Expenditure on:						
Other trading activities	4	**184,798**	**-**	**-**	**184,798**	*21,270*
Charitable activities		**2,479,071**	**161,073**	**-**	**2,640,144**	*565,788*
Total expenditure	8	**2,663,869**	**161,073**	**-**	**2,824,942**	*587,058*
Net income / (expenditure) before taxation		**57,806**	**-**	**75,000**	**132,806**	*(134,237)*
Taxation		**(439)**	**-**	**-**	**(439)**	*6,385*
Net income / (expenditure) before other recognised gains and losses		**57,367**	**-**	**75,000**	**132,367**	*(127,852)*
Net movement in funds		**57,367**	**-**	**75,000**	**132,367**	*(127,852)*
Reconciliation of funds:						
Total funds brought forward		**103,012**	**-**	**-**	**103,012**	*230,864*
Total funds carried forward		**160,379**	**-**	**75,000**	**235,379**	*103,012*

The notes on pages 14 to 30 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	12		**6,330**		*8,587*
Current assets					
Stocks	14	**-**		*8,067*	
Debtors	15	**435,840**		*578,996*	
Cash at bank and in hand		**396,435**		*1,034,069*	
		832,275		*1,621,132*	
Creditors: amounts falling due within one year	16	**(560,726)**		*(1,526,707)*	
Net current assets			**271,549**		*94,425*
Total assets less current liabilities			**277,879**		*103,012*
Creditors: amounts falling due after more than one year	17		**(42,500)**		-
Net assets			**235,379**		*103,012*
Charity Funds					
Designated funds	19		**75,000**		-
Unrestricted funds	19		**160,379**		*103,012*
Total funds			**235,379**		*103,012*

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on 1 July 2022 and signed on their behalf, by:

Stephen Carter

Lord S Carter

The notes on pages 14 to 30 form part of these financial statements.

CHARITY BALANCE SHEET
AS AT 31 OCTOBER 2021

	Note	£	2021 £	£	*2020 £*
Fixed assets					
Tangible assets	12		**6,330**		*8,587*
Investments	13		**10**		*10*
			6,340		*8,597*
Current assets					
Debtors: amounts falling due after more than one year	15	**915,380**		*915,380*	
Debtors: amounts falling due within one year	15	**398,816**		*1,293,660*	
Cash at bank and in hand		**383,990**		*290,158*	
		1,698,186		*2,499,198*	
Creditors: amounts falling due within one year	16	**(544,382)**		*(1,520,649)*	
Net current assets			**1,153,804**		*978,549*
Total assets less current liabilities			**1,160,144**		*987,146*
Creditors: amounts falling due after more than one year	17		**(42,500)**		*-*
Net assets			**1,117,644**		*987,146*
Charity Funds					
Designated funds			**75,000**		*-*
Unrestricted funds			**1,042,644**		*987,146*
Total funds			**1,117,644**		*987,146*

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

CHARITY BALANCE SHEET (continued)
AS AT 31 OCTOBER 2021

The financial statements were approved and authorised for issue by the Trustees on 1 July 2022 and signed on their behalf, by:

The notes on pages 14 to 30 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2021

	Note	2021 £	*2020* *£*
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	**(637,704)**	*1,030,283*
Cash flows from investing activities:			
Dividends, interest and rents from investments		**70**	*158*
Purchase of tangible fixed assets		**-**	*(5,805)*
Net cash provided by/(used in) investing activities		**70**	*(5,647)*
Change in cash and cash equivalents in the year		**(637,634)**	*1,024,636*
Cash and cash equivalents brought forward		**1,034,069**	*9,433*
Cash and cash equivalents carried forward	22	**396,435**	*1,034,069*

The notes on pages 14 to 30 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

1. Accounting Policies

1.1 Basis of preparation of financial statements

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The Henley Festival Trust 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.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

1.2 Charity status

The charity is a charitable incorporated organisation. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the members of the charitable incorporated organisation have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

1.3 Going concern

The Henley Festival did not take place in 2020 due to COVID-19 restrictions but was held successfully in September 2021 and in the coming year will revert to its usual time in July 2022. The charity has prepared forecasts for various scenarios over the next two years and the Trustees believe that with the ongoing support of its Patrons and careful financial management the charity will have sufficient reserves to continue to operate for the foreseeable future and that it is therefore appropriate to prepare the financial statements on a going concern basis.

1.4 Income

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

Income from charitable activities is recognised at the fair value of the consideration received or receivable for tickets, parking, mooring and souvenir programme sales, together with sponsorship fees and concessions receivable and is shown net of VAT and sales taxes.

Income tax receivable in relation to donations received under Gift Aid is recognised at the time of donation.

1. Accounting Policies (continued)

1.5 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred in support of expenditure on the objects of the charity and include the management and administration of the charity's activities.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

1.6 Basis of consolidation

The financial statements consolidate the accounts of The Henley Festival Trust and all of its subsidiary undertakings ('subsidiaries').

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.7 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

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

Plant and machinery	-	25% and 33% on reducing balance

1. Accounting Policies (continued)

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 fair 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 shown in the heading ‘Gains/(losses) on investments’ in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.10 Operating leases

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

1.11 Stocks

Stocks 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.

1.12 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.

1.13 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.

1.14 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 charity 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 within interest payable and similar charges.

1. Accounting Policies (continued)

1.15 Financial instruments

The charity 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.

1.16 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

1.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund and to personal pension plans in respect of the year.

1.18 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 charity 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 charity 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.

1. Accounting Policies (continued)

1.19 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 charity 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.

Critical areas of judgment:

The recognition of deferred tax assets is based upon whether it is more likely than not sufficient taxable profits will be available in the future. Recognition therefore involves judgement regarding the future financial performance of the particular legal entity in which the deferred tax asset has been recognised.

2. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	*As restated Total funds 2020 £*
Donations and legacies	**58,294**	**-**	**-**	**58,294**	*27,616*
Grants	**-**	**161,073**	**75,000**	**236,073**	*-*
Government grants	**32,477**	**-**	**-**	**32,477**	*33,095*
Total donations and legacies	**90,771**	**161,073**	**75,000**	**326,844**	*60,711*
Total 2020	*60,711*	*-*	*-*	*60,711*	

3. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	*As restated Total funds 2020 £*
Charitable activities	**2,340,177**	**-**	**-**	**2,340,177**	*391,890*
Total 2020	*391,890*	*-*	*-*	*391,890*	

The comparatives have been reanalysed on the face of the Consolidated Statement of Financial Activities in order to include £60,711 of income within donations and legacies rather than charitable activities in the prior period. The adjustment is a reanalysis within income only and does not have any effect on total reported income. The Trustees believe that this adjustment better enables the accounts to show a true and fair view.

4. Income from trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	*As restated Total funds 2020 £*
Catering and other trading income	**287,993**	**-**	**-**	**287,993**	-
Other income	**2,664**	**-**	**-**	**2,664**	-
	290,657	**-**	**-**	**290,657**	-
Other trading expenses					
Catering and other trading expense	**184,798**	**-**	**-**	**184,798**	*21,270*
Net income/(expenditure) from trading activities	**105,859**	**-**	**-**	**105,859**	*(21,270)*

5. Investment income

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Bank interest	**70**	**-**	**-**	**70**	*220*
Total 2020	*220*	*-*	*-*	*220*	

6. Direct costs

	Charity £	Total 2021 £	*As restated Total 2020 £*
Artist costs	**650,292**	**650,292**	*-*
Event costs	**1,418,090**	**1,418,090**	*37,916*
Sponsor and fundraising support costs	**38,008**	**38,008**	*1,050*
Marketing costs	**53,656**	**53,656**	*52,986*
Freelance costs	**87,410**	**87,410**	*56,950*
	2,247,456	**2,247,456**	*148,902*
Total 2020	*148,902*	*148,902*	

The comparatives have been reanalysed on the face of the Consolidated Statement of Financial Activities in order to include £17,619 of expenditure within catering and other trading activities rather than charitable activities in the prior period. The adjustment is a reanalysis within expenditure only and does not have any effect on total reported expenditure. The Trustees believe that this adjustment better enables the accounts to show a true and fair view.

7. Support costs

	Activities £	Total 2021 £	*As restated Total 2020 £*
Office costs	**86,566**	**86,566**	*83,621*
Professional costs	**37,934**	**37,934**	*34,013*
Finance costs	**938**	**938**	*-*
Wages and salaries	**230,910**	**230,910**	*249,211*
National insurance	**17,622**	**17,622**	*24,992*
Pension cost	**16,461**	**16,461**	*21,966*
Depreciation	**2,257**	**2,257**	*3,083*
	392,688	**392,688**	*416,886*
Total 2020	*416,886*	*416,886*	

The comparatives have been reanalysed on the face of the Consolidated Statement of Financial Activities in order to include £3,651 of expenditure within catering and other trading activities rather than charitable activities in the prior period. The adjustment is a reanalysis within expenditure only and does not have any effect on total reported expenditure. The Trustees believe that this adjustment better enables the accounts to show a true and fair view.

8. Analysis of Expenditure by expenditure type

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total 2021 £	*As restated Total 2020 £*
Expenditure on other trading activities	**-**	**-**	**184,798**	**184,798**	*21,270*
Costs of raising funds	**-**	**-**	**184,798**	**184,798**	*21,270*
Charity	**264,993**	**2,257**	**2,372,894**	**2,640,144**	*565,788*
	264,993	**2,257**	**2,557,692**	**2,824,942**	*587,058*
Total 2020	*296,169*	*3,083*	*287,806*	*587,058*	

9. Net income/(expenditure)

This is stated after charging:

	2021 £	*2020* *£*
Depreciation of tangible fixed assets:		
- owned by the charitable group	**2,257**	*3,083*
Auditors' remuneration - audit	**11,845**	*9,000*

During the year, no Trustees received any remuneration (2020 - £NIL).
During the year, no Trustees received any benefits in kind (2020 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2020 - £NIL).

10. Auditors' remuneration

The Auditor's remuneration amounts to an Audit fee of £11,845 *(2020: £9,000)*.

11. Staff costs

Staff costs were as follows:

	2021 £	*2020* *£*
Wages and salaries	**230,910**	*249,211*
Social security costs	**17,622**	*24,992*
Other pension costs	**16,461**	*21,966*
	264,993	*296,169*

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

	2021 No.	*2020* *No.*
	7	*9*

During the year, one employee and member of key management personnel received remuneration over £60,000 *(2020: £60,000)*.

During the year, key management personnel received remuneration of £139,157 *(2020: £148,234)*.

12. Tangible fixed assets

Group	Plant and machinery £
Cost	
At 1 November 2020 and 31 October 2021	**16,412**
Depreciation	
At 1 November 2020	**7,825**
Charge for the year	**2,257**
At 31 October 2021	**10,082**
Net book value	
At 31 October 2021	**6,330**
At 31 October 2020	*8,587*

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

Charity	**Plant and machinery £**
Cost	
At 1 November 2020 and 31 October 2021	**16,412**
Depreciation	
At 1 November 2020	**7,825**
Charge for the year	**2,257**
At 31 October 2021	**10,082**
Net book value	
At 31 October 2021	**6,330**
At 31 October 2020	*8,587*

13. Fixed asset investments

Charity	**Shares in group undertakings £**
At 1 November 2020 and 31 October 2021	**10**

Charity investments comprise:

	2021 £	*2020 £*
Investments in subsidiaries	**10**	*10*

The only subsidiary of The Henley Festival Trust is Henley Festival Limited (company number 02284295). The Henley Festival Trust owns 100% of the share capital of Henley Festival Limited.

14. Stocks

	Group		Charity	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Finished goods and goods for resale	**-**	*8,067*	**-**	*-*

15. Debtors

	Group		Charity	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	**£**
Due after more than one year				
Amounts owed by group undertakings	**-**	*-*	**915,380**	*915,380*

	Group		Charity	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Due within one year				
Trade debtors	**124,629**	*142,270*	**109,096**	*13,250*
Amounts owed by group undertakings	**-**	*-*	**283,386**	*897,702*
Other debtors	**275,096**	*72,143*	**6,334**	*54,679*
Prepayments and accrued income	**10,000**	*338,029*	**-**	*328,029*
Deferred tax asset (see note 18)	**26,115**	*26,554*	**-**	*-*
	435,840	*578,996*	**398,816**	*1,293,660*

16. Creditors: Amounts falling due within one year

	Group		Charity	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Bank loans and overdrafts	**7,500**	*-*	**7,500**	*-*
Trade creditors	**175,890**	*240,645*	**171,232**	*240,545*
Other taxation and social security	**35,686**	*230,605*	**30,200**	*230,605*
Other creditors	**81,198**	*8,057*	**81,198**	*8,057*
Accruals and deferred income	**260,452**	*1,047,400*	**254,252**	*1,041,442*
	560,726	*1,526,707*	**544,382**	*1,520,649*

17. Creditors: Amounts falling due after more than one year

	Group		Charity	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Bank loans	**42,500**	-	**42,500**	-

Creditors include amounts not wholly repayable within 5 years as follows:

	Group		Charity	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Repayable by instalments	**2,500**	-	**2,500**	-

18. Deferred taxation

	Group		Charity	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
At beginning of year	**26,554**	*20,169*	**-**	-
(Charge for)/released during the year (P&L)	**(439)**	*6,385*	**-**	-
At end of year	**26,115**	*26,554*	**-**	-

The deferred taxation balance is made up as follows:

	Group		Charity	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Tax losses carried forward	**26,115**	*26,554*	**-**	-

19. Statement of funds

Statement of funds - current year

	Balance at 1 November 2020 £	Income £	Expenditure £	Balance at 31 October 2021 £
Unrestricted funds				
General Funds	**103,012**	**2,721,675**	**(2,664,308)**	**160,379**
Designated funds				
Designated funds	**-**	**75,000**	**-**	**75,000**
Restricted funds				
Restricted Funds	**-**	**161,073**	**(161,073)**	**-**
Total of funds	**103,012**	**2,957,748**	**(2,825,381)**	**235,379**

Statement of funds - prior year

	Balance at 1 November 2019 £	*Income £*	*Expenditure £*	*Balance at 31 October 2020 £*
General Funds	*230,864*	*452,821*	*(580,673)*	*103,012*
Restricted funds				
Total of funds	*230,864*	*452,821*	*(580,673)*	*103,012*

Summary of funds - current year

	Balance at 1 November 2020 £	Income £	Expenditure £	Balance at 31 October 2021 £
General funds	**103,012**	**2,721,675**	**(2,664,308)**	**160,379**
Designated funds	**-**	**75,000**	**-**	**75,000**
	103,012	**2,796,675**	**(2,664,308)**	**235,379**

19. Statement of funds (continued)

Summary of funds - prior year

	Balance at 1 November 2019	*Income*	*Expenditure*	*Balance at 31 October 2020*
	£	*£*	*£*	*£*
General funds	*230,864*	*452,821*	*(580,673)*	*103,012*
	230,864	*452,821*	*(580,673)*	*103,012*

Restricted fund
The restricted fund relates to grant income received from a government body which aims to support cultural organisations and charities which have been impacted by Covid 19. The income was granted in order to cover specific costs of the charity and the income and the costs that it related to have thus been treated as restricted.

Designated fund
The designated fund relates to grant income received from a government body which aims to support cultural organisations and charities which have been impacted by Covid 19. The income was provided by the government body in order to boost the reserves of the Charity to provide financial stability and help secure its future. There has been no condition made in respect of what these monies may be spent on, thus the Trustees have treated the income as designated rather than restricted.

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021	**Restricted funds 2021**	**Designated funds 2021**	**Total funds 2021**
	£	**£**	**£**	**£**
Tangible fixed assets	**6,330**	**-**	**-**	**6,330**
Current assets	**731,158**	**-**	**75,000**	**806,158**
Creditors due within one year	**(560,724)**	**-**	**-**	**(560,724)**
Creditors due in more than one year	**(42,500)**	**-**	**-**	**(42,500)**
Provisions for liabilities and charges	**26,115**	**-**	**-**	**26,115**
	160,379	**-**	**75,000**	**235,379**

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	*Restricted funds 2020 £*	*Designated funds 2020 £*	*Total funds 2020 £*
Tangible fixed assets	*8,587*	-	-	*8,587*
Current assets	*1,594,578*	-	-	*1,594,578*
Creditors due within one year	*(1,526,707)*	-	-	*(1,526,707)*
Provisions for liabilities and charges	*26,554*	-	-	*26,554*
	103,012	-	-	*103,012*

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

	Group 2021 £	*2020 £*
Net income/(expenditure) for the year (as per Statement of Financial Activities)	**132,367**	*(127,852)*
Adjustment for:		
Depreciation charges	**2,257**	*3,083*
Dividends, interest and rents from investments	**(70)**	*(158)*
Decrease in stocks	**8,068**	*8,068*
Decrease/(increase) in debtors	**738,811**	*(150,252)*
(Decrease)/increase in creditors	**(1,519,576)**	*1,303,779*
Taxation	**439**	*(6,385)*
Net cash (used in)/provided by operating activities	**(637,704)**	*1,030,283*

22. Analysis of cash and cash equivalents

	Group 2021 £	*2020 £*
Cash in hand	**396,435**	*1,034,069*
Total	**396,435**	*1,034,069*

23. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and to personal pension plans and amounted to £16,461 *(2020: £21,966)*.

Contributions totalling £1,245 *(2020: £1,882)* were payable to the fund at the balance sheet date and are included in creditors.

24. Related party transactions

At the balance sheet date, there is an amount of £283,386 *(2020: £897,702)* included in amounts owed by group undertakings due within one year, which is owed by Henley Festival Limited to the charity. There is also an amount of £915,380 *(2020: £915,380)* included in amounts owed by group undertakings due in more than one year which is owed by Henley Festival Limited to the charity.

During the year the charity received Patrons' fees and donations totalling £15,000 from Trustees. During the year, legal fees of £28,500 were paid to a legal firm for which one of the Trustees acts as a consultant. Tickets were also purchased by Trustees and all transactions were conducted on an arm's length basis.

THE HENLEY FESTIVAL TRUST

England & Wales - Charity number 1174338

Accounts

Registered number: CEO10828
Charity number: 1174338

THE HENLEY FESTIVAL TRUST

(A charitable incorporated organisation)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2020

THE HENLEY FESTIVAL TRUST
(A charitable incorporated organisation)

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THE HENLEY FESTIVAL TRUST

(A charitable incorporated organisation)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 OCTOBER 2020

Trustees

Lord S Carter
A Mallin
M Head
M Smith
M Homer
S Laing
J Hobbs
Lord Leigh of Hurley (appointed 11 September 2020)

Company registered number

CEO10828

Charity registered number

1174338

Registered office

Leander Club, Henley-On-Thames, Oxfordshire, RG9 2LP

Chief executive officer

J Bausor

Independent auditors

Donald Reid Limited, Prince Albert House, 20 King Street, Maidenhead, Berkshire, SL6 1DT

Bankers

Lloyds Bank plc, 1 Reading Road, Henley-on-Thames, RG9 1AE

Solicitors

The Head Partnership, 2 Duke Street, Henley-on-Thames, RG9 1UP

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2020

The Trustees present their annual report together with the audited financial statements of the group and the charity for the year 1 November 2019 to 31 October 2020. The Trustees confirm that the Annual Report and financial statements of the group comply with the current statutory requirements, the requirements of the group's governing documents 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 (FRS 102) published in October 2019.

Structure, governance and management

The Henley Festival Trust is a Charitable Incorporated Organisation through which all charitable activities are run. Non charitable activities, including food, beverage, merchandise and corporate hospitality sales, are run through a wholly-owned subsidiary company, Henley Festival Limited.
The charity is managed by a Board of Trustees which meets regularly. There must be at least five Trustees, of which two must also serve as Directors of Henley Festival Limited, up to a maximum of nine Trustees.

A Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the charity and a qualified accountant is appointed as Finance Director. The charity liaises regularly with its lawyers, accountants and professional advisers.

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity, and especially in light of the impact of COVID-19 on the previous and coming year. The Trustees are satisfied that adequate systems are in place to safeguard the assets. Cashflow forecasts are prepared and reviewed on a regular basis to ensure that liabilities can be met as they fall due and to provide assurance that the limited company and charity are operating as going concerns.

Objectives and aims

The purpose of the charity is the advancement of the arts which includes musical, visual, literary, dramatic or any other arts, and the promotion and widening of public appreciation and interest in the arts in Henley-on-Thames and the surrounding area and other such places as the Trustees may from time to time determine for the benefit of the public.

The organisation carries out its purpose in two main ways:

1) through the provision of the annual Henley Festival; and

2) by providing grants to local and national organisations that widen access and participation in the arts and in particular, to provide opportunities that improve the diversity of those involved in the arts.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake and in respect of public benefit.

Achievements and performance

The Henley Festival did not take place in 2020 due to COVID-19 restrictions, and the event was postponed to 2021. Efforts were made to generate alternative sources of income, including a digital festival, a socially-distanced event, online silent auctions and appeals for donations; government support was utilised and cost reduction measures were implemented. The charity's income was materially reduced and therefore the charity was unable to make any grants this year..

Financial review

Following the postponement of the Festival due to COVID-19 restrictions, the charity recorded a loss before taxation of £134,237 *(2019: £12,005 profit)*.

The Trustees are committed to maintaining sufficient reserves to ensure that the charity can continue to promote its aims within the local community and to support emerging talent more widely. In the exceptional circumstances this year, the Trustees have approved the use of reserves to fund the deficit for the year.

After deduction of the above loss, unrestricted funds as at 31 October 2020 stood at £103,012. The Trustees have developed plans to generate and retain profits in future years, so that reserves can be rebuilt. The Trustees have set a target to maintain unrestricted finds between £250,000 - £400,000.

Fundraising activities

The charity benefits from the generous support of the Patrons' Club. The Trustees are particularly grateful for the generous support of Patrons and supporters during this challenging period. Funds are also raised through the Friend's membership scheme which offers various levels of support, each attracting a range of benefits. In a normal year, funds are also generated from corporate sponsorship, corporate members and donors.

The charity has a targeted approach to fundraising, with the CEO, supported by a specialist fundraising team. The charity's fundraising activities conform to all recognised standards and any complaints are dealt with by the CEO. There were no complaints received by the charity with regard to its fundraising activities during the year.

Plans for future periods

The plan for the current year is to ensure the financial security of the charity and hold the Henley Festival that was postponed from 2020, subject to the government guidelines and restrictions in place over the coming months. In December 2020 a fundraising appeal was launched with a target to raise £250,000 and the Trustees are extremely grateful that this target was achieved by February 2021. The charity continues to make use of available government support including the Job Retention Scheme and Deferred VAT Payment Scheme, and an application was sucessfully submitted for a grant from the Culture Recovery Fund.

The aim for this and future years is to continue to:

- develop Henley Festival as a credible and nationally recognised arts organisation which delights our audiences, partners, sponsors, Patrons and Friends;
- innovate and invest in order to offer a dynamic arts experience of the highest quality for our audiences, sponsors and corporate guests;
- transform people's lives by making a significant contribution to the cultural and economic life of Henley-on-Thames and the surrounding area;
- confirm the support of emerging talent as central to the Festival's charitable purpose. Ensure continuing help can be given to aspiring musicians, performers and visual artists both financially and also by the provision of a platform on which to perform or exhibit;
- ensure that the Festival continues to thrive through challenging economic times by the continued development and diversification of income sources, prudent budgeting and long term planning, effective cost control and environmental sustainability; and
- drive the Festival to become ever more professionally structured, with effective leadership and management, and building the confidence of our audiences and stakeholders.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 OCTOBER 2020

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 that Trustee is aware, there is no relevant audit information of which the charitable group'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 group's auditors are aware of that information.

This report was approved by the Trustees on 18 June 2021 and signed on their behalf by:

Lord Carter of Barnes
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENLEY FESTIVAL TRUST

Opinion

We have audited the financial statements of The Henley Festival Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 October 2020 set out on pages 8 to 25. 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 group's and of the parent charitable company's affairs as at 31 October 2020 and of the group's 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 group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENLEY FESTIVAL TRUST

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
- the parent charity has not kept sufficient accounting records; or
- the parent charity 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 are responsible for the preparation of financial statements which 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 group's and the parent charity'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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.
We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENLEY FESTIVAL TRUST

Daniel Reid FCA (Senior statutory auditor)
for and on behalf of
Donald Reid Limited

Chartered Accountants
Statutory Auditors

Prince Albert House
20 King Street
Maidenhead
Berkshire
SL6 1DT
19 July 2021

THE HENLEY FESTIVAL TRUST
(A charitable incorporated organisation)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds As Restated 2019 £*
Income from:				
Charitable activities:	2			
Ticket sales		**79,105**	**79,105**	*1,648,062*
Sponsorship fees		**8,750**	**8,750**	*275,300*
Donations and membership fees		**353,732**	**353,732**	*329,585*
Concessions		**11,014**	**11,014**	*26,788*
Other trading activities	3	**-**	**-**	*240,147*
Investments	4	**220**	**220**	*575*
Total income		**452,821**	**452,821**	*2,520,457*
Expenditure on:				
Charitable activities:				
Artist costs		**-**	**-**	*622,111*
Event costs		**37,916**	**37,916**	*1,158,187*
Sponsor and fundraising support costs		**1,050**	**1,050**	*39,937*
Marketing costs		**52,986**	**52,986**	*104,784*
Donations payable		**-**	**-**	*20,469*
Other direct costs		**65,018**	**65,018**	*97,056*
Support costs		**430,088**	**430,088**	*465,908*
Total expenditure	7	**587,058**	**587,058**	*2,508,452*
Net expenditure before taxation		**(134,237)**	**(134,237)**	*12,005*
Taxation		**6,385**	**6,385**	*(24,948)*
Net expenditure before other recognised gains and losses		**(127,852)**	**(127,852)**	*(12,943)*
Net movement in funds		**(127,852)**	**(127,852)**	*(12,943)*
Reconciliation of funds:				
Total funds brought forward		**230,864**	**230,864**	*243,807*
Total funds carried forward		**103,012**	**103,012**	*230,864*

The notes on pages 12 to 25 form part of these financial statements.

THE HENLEY FESTIVAL TRUST
(A charitable incorporated organisation)
REGISTERED NUMBER: CE010828

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2020

	Note	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	11		8,587		*5,865*
Current assets					
Stocks	13	8,067		*16,135*	
Debtors	14	578,996		*422,359*	
Cash at bank and in hand		1,034,069		*9,433*	
		1,621,132		*447,927*	
Creditors: amounts falling due within one year	15	(1,526,707)		*(222,928)*	
Net current assets			94,425		*224,999*
Net assets			103,012		*230,864*
Charity Funds					
Unrestricted funds	17		103,012		*230,864*
Total funds			103,012		*230,864*

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on 18 June 2021 and signed on their behalf, by:

Lord S Carter

The notes on pages 12 to 25 form part of these financial statements.

THE HENLEY FESTIVAL TRUST

(A charitable incorporated organisation)
REGISTERED NUMBER: CEO10828

CHARITY BALANCE SHEET
AS AT 31 OCTOBER 2020

	Note	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	11		8,587		*5,865*
Investments	12		10		*10*
			8,597		*5,875*
Current assets					
Debtors: amounts falling due after more than one year	14	915,380		*915,380*	
Debtors: amounts falling due within one year	14	1,293,660		*337,903*	
Cash at bank and in hand		290,158		*8,156*	
		2,499,198		*1,261,439*	
Creditors: amounts falling due within one year	15	(1,520,649)		*(167,043)*	
Net current assets			978,549		*1,094,396*
Net assets			987,146		*1,100,271*
Charity Funds					
Unrestricted funds			987,146		*1,100,271*
Total funds			987,146		*1,100,271*

The charity's financial statements have been prepared in accordance with the provisions applicable to small entities within the Charities Act 2011, and in accordance with the provisions of FRS 102 Section 1A - small entities.

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on 18 JUNE 2021 and signed on their behalf, by:

Lord S Carter

The notes on pages 12 to 25 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2020

	Note	2020 £	*2019* *£*
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	**1,030,283**	*(174,107)*
Cash flows from investing activities:			
Dividends, interest and rents from investments		**158**	*575*
Purchase of tangible fixed assets		**(5,805)**	*(1,517)*
Net cash used in investing activities		**(5,647)**	*(942)*
Change in cash and cash equivalents in the year		**1,024,636**	*(175,049)*
Cash and cash equivalents brought forward		**9,433**	*184,482*
Cash and cash equivalents carried forward	20	**1,034,069**	*9,433*

The notes on pages 12 to 25 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

1. Accounting Policies

1.1 Basis of preparation of financial statements

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The Henley Festival Trust 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.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

1.2 Charity status

The charity is a charitable incorporated organisation. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the members of the charitable incorporated organisation have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

1.3 Going concern

COVID-19 has severely impacted the company as the Henley Festival did not take place in 2020 and therefore income was significantly reduced. The charity has prepared forecasts for various scenarios over the next two years and the Trustees believe that with the ongoing support of its Patrons and careful financial management, the charity will have sufficient reserves to continue to operate for the foreseeable future and that it is therefore appropriate to prepare the financial statements on a going concern basis.

1.4 Income

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

Income from charitable activities is recognised at the fair value of the consideration received or receivable for tickets, parking, mooring and souvenir programme sales, together with sponsorship fees and concessions receivable and is shown net of VAT and sales taxes.

Income tax receivable in relation to donations received under Gift Aid is recognised at the time of donation.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

1. Accounting Policies (continued)

1.5 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.

Support costs are those costs incurred in support of expenditure on the objects of the charity and include the management and administration of the charity's activities.

1.6 Basis of consolidation

The financial statements consolidate the accounts of The Henley Festival Trust and all of its subsidiary undertakings ('subsidiaries').

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.7 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

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

Plant and machinery	-	25% and 33% on reducing balance

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 fair 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 shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1. Accounting Policies (continued)

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.10 Operating leases

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

1.11 Stocks

Stocks 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.

1.12 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.

1.13 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.

1.14 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 charity 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 within interest payable and similar charges.

1.15 Financial instruments

The charity 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. Accounting Policies (continued)

1.16 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

1.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund and to personal pension plans in respect of the year.

1.18 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 charity 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.

1.19 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 charity 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.

Critical areas of judgment:

The recognition of deferred tax assets is based upon whether it is more likely than not sufficient taxable profits will be available in the future. Recognition therefore involves judgement regarding the future financial performance of the particular legal entity in which the deferred tax asset has been recognised.

2. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Incoming resources	**452,601**	**452,601**	*2,279,735*
Total 2019	*2,279,735*	*2,279,735*	

The comparatives have been reanalysed on the face of the Consolidated Statement of Financial Activities in order to include £46,786 of income within donations rather than ticket sales in the prior period. The adjustment is a reanalysis within income only and does not have any effect on total reported income. The Trustees believe that this adjustment better enables the accounts to show a true and fair view.

3. Income from trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Catering and other trading income	-	-	*240,147*
	-	-	*240,147*
Net income from trading activities	-	-	*240,147*

4. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Bank interest	**220**	**220**	*575*
Total 2019	*575*	*575*	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

5. Direct costs

	Charity £	Total 2020 £	*Total 2019 £*
Artistic costs	-	-	*622,111*
Event costs	37,916	37,916	*1,158,187*
Sponsor and fundraising support costs	1,050	1,050	*39,934*
Marketing costs	52,986	52,986	*104,784*
Donations	-	-	*20,469*
Reusable glassware	8,068	8,068	*26,367*
Freelance staff	66,501	66,501	*70,692*
	166,521	166,521	*2,042,544*
Total 2019	*2,042,544*	*2,042,544*	

6. Support costs

	Activities £	Total 2020 £	*Total 2019 £*
Office costs	87,272	87,272	*109,480*
Professional costs	34,013	34,013	*34,404*
Wages and salaries	249,211	249,211	*271,447*
National insurance	24,992	24,992	*24,646*
Pension cost	21,966	21,966	*23,645*
Depreciation	3,083	3,083	*2,286*
	420,537	420,537	*465,908*
Total 2019	*465,908*	*465,908*	

7. Analysis of Expenditure by expenditure type

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total 2020 £	*Total As Restated 2019 £*
Charity	296,169	3,083	287,806	587,058	*2,508,452*
Total 2019	*319,738*	*2,286*	*2,186,428*	*2,508,452*	

8. Net income/(expenditure)

This is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	**3,083**	*2,286*
Auditors' remuneration - audit	**9,000**	*9,000*

During the year, no Trustees received any remuneration (2019 - £NIL).
During the year, no Trustees received any benefits in kind (2019 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2019 - £NIL).

9. Auditors' remuneration

The Auditor's remuneration amounts to an Audit fee of £9,000.

10. Staff costs

Staff costs were as follows:

	2020	*2019*
	£	*£*
Wages and salaries	**249,211**	*271,447*
Social security costs	**24,992**	*24,646*
Other pension costs	**21,966**	*23,645*
	296,169	*319,738*

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

	2020	*2019*
	No.	*No.*
	7	*9*

During the year, one employee and member of key management personnel received remuneration over £60,000.

During the year, key management personnel received remuneration of £148,234.

11. Tangible fixed assets

Group	**Plant and machinery £**
Cost	
At 1 November 2019	**10,607**
Additions	**5,805**
At 31 October 2020	**16,412**
Depreciation	
At 1 November 2019	**4,742**
Charge for the year	**3,083**
At 31 October 2020	**7,825**
Net book value	
At 31 October 2020	**8,587**
At 31 October 2019	*5,865*

Charity	Plant and machinery £
Cost	
At 1 November 2019	10,607
Additions	5,805
At 31 October 2020	16,412
Depreciation	
At 1 November 2019	4,742
Charge for the year	3,083
At 31 October 2020	7,825
Net book value	
At 31 October 2020	8,587
At 31 October 2019	*5,865*

12. Fixed asset investments

Charity	Shares in group undertakings £
At 1 November 2019 and 31 October 2020	10

Charity investments comprise:

	2020 £	*2019 £*
Investments in subsidiaries	10	*10*

The only subsidiary of The Henley Festival Trust is Henley Festival Limited (company number 02284295). The Henley Festival Trust owns 100% of the share capital of Henley Festival Limited.

13. Stocks

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Finished goods and goods for resale	8,067	16,135	-	-

14. Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Due after more than one year				
Amounts owed by group undertakings	-	-	915,380	915,380

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Due within one year				
Trade debtors	142,270	292,982	13,252	9,420
Amounts owed by group undertakings	-	-	897,702	273,884
Other debtors	72,143	34,685	54,677	34,685
Prepayments and accrued income	338,029	74,523	328,029	19,914
Deferred tax asset (see note 16)	26,554	20,169	-	-
	578,996	422,359	1,293,660	337,903

An amount of £700,000 was received from Henley Festival Limited in November 2020 in respect of the amount owed by group undertakings.

15. Creditors: Amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	240,645	74,467	240,545	69,397
Other taxation and social security	230,605	4,656	230,605	4,645
Other creditors	8,057	52,570	8,057	4,766
Accruals and deferred income	1,047,400	91,235	1,041,442	88,235
	1,526,707	222,928	1,520,649	167,043

16. Deferred taxation

	Group		Charity	
	2020	*2019*	**2020**	*2019*
	£	*£*	**£**	*£*
At beginning of year/period	**20,169**	*45,117*	-	-
Released during/(charge for) the year (P&L)	**6,385**	*(24,948)*	-	-
At end of year/period	**26,554**	*20,169*	-	-

The deferred taxation balance is made up as follows:

	Group		Charity	
	2020	*2019*	**2020**	*2019*
	£	*£*	**£**	*£*
Tax losses carried forward	**26,554**	*20,169*	-	-

17. Statement of funds

Statement of funds - current year

	Balance at 1 November 2019 £	Income £	Expenditure £	Balance at 31 October 2020 £
Unrestricted funds				
General Funds	**230,864**	**452,821**	**(580,673)**	**103,012**

Statement of funds - prior year

	Balance at 1 November 2018 £	*Income £*	*Expenditure £*	*Balance at 31 October 2019 £*
General Funds	*243,807*	*2,520,457*	*(2,533,400)*	*230,864*
Total of funds	*243,807*	*2,520,457*	*(2,533,400)*	*230,864*

Summary of funds - current year

	Balance at 1 November 2019 £	Income £	Expenditure £	Balance at 31 October 2020 £
General funds	**230,864**	**452,821**	**(580,673)**	**103,012**

Summary of funds - prior year

	Balance at 1 November 2018 £	*Income £*	*Expenditure £*	*Balance at 31 October 2019 £*
General funds	*243,807*	*2,520,457*	*(2,533,400)*	*230,864*

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	8,587	8,587
Current assets	1,594,578	1,594,578
Creditors due within one year	(1,526,707)	(1,526,707)
Provisions for liabilities and charges	26,554	26,554
	103,012	103,012

Analysis of net assets between funds - prior year

	Unrestricted funds As Restated 2019 £	*Total funds As Restated 2019 £*
Tangible fixed assets	*5,865*	*5,865*
Current assets	*427,758*	*427,758*
Creditors due within one year	*(222,928)*	*(222,928)*
Provisions for liabilities and charges	*20,169*	*20,169*
	230,864	*230,864*

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

	Group 2020 £	*2019 £*
Net expenditure for the year (as per Statement of Financial Activities)	(127,852)	*(12,943)*
Adjustment for:		
Depreciation charges	3,083	*2,286*
Dividends, interest and rents from investments	(158)	*(575)*
Decrease/(increase) in stocks	8,068	*(16,135)*
Increase in debtors	(150,252)	*(133,454)*
Increase/(decrease) in creditors	1,303,779	*(38,234)*
Taxation	(6,385)	*24,948*
Net cash provided by/(used in) operating activities	1,030,283	*(174,107)*

20. Analysis of cash and cash equivalents

	Group	
	2020	*2019*
	£	*£*
Cash in hand	**1,034,069**	*9,433*
Total	**1,034,069**	*9,433*

21. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and to personal pension plans and amounted to £21,966 *(2019: £23,643)*.

Contributions totalling £1,882 *(2019: £3,266)* were payable to the fund at the balance sheet date and are included in creditors.

22. Related party transactions

At the period end, within the individual entity balance sheet, there is an amount of £897,702 *(2019 - £273,884)* included in amount owed by group undertakings due within one year, which is owed by Henley Festival Limited to the charity; an amount of £700,000 was received from Henley Festival Limited in November 2020 in respect of this balance. There is also an amount of £915,380 *(2019 - £915,380)* included in amounts owed by group undertakings due in more than one year which is owed from Henley Festival Limited to the charity.

During the year the charity made ticket sales of £9,973 to trustees and received patron fees and donations totalling £17,000 from the Trustees. During the year legal fees of £22,500 were paid to a legal firm for which one of the Trustees acts as a consultant. All transactions with the trustees were conducted on an arms length basis.