

Charity no. 1175716

The Hertfordshire Festival of Music
Report and Unaudited Financial
Statements
30 June 2021

The Hertfordshire Festival of Music

Reference and administrative details

For the year ended 30 June 2021

Charity number	1175716																
Registered office	13 Millmead Way Hertford Hertfordshire SG14 3YH																
Trustees	<p>The trustees are who served during the year and up to the date of this report were as follows:</p> <table><tr><td>RM Beaham</td><td>Appointed 4 January 2021</td></tr><tr><td>JE Bedwell</td><td>Resigned 1 September 2020</td></tr><tr><td>D Childs</td><td></td></tr><tr><td>GC Dodge</td><td>Appointed 4 January 2021</td></tr><tr><td>CE Pease</td><td></td></tr><tr><td>MM Prisk</td><td></td></tr><tr><td>JCS Sartin</td><td>Chairman</td></tr><tr><td>DCF Utting</td><td>Appointed 4 January 2021</td></tr></table>	RM Beaham	Appointed 4 January 2021	JE Bedwell	Resigned 1 September 2020	D Childs		GC Dodge	Appointed 4 January 2021	CE Pease		MM Prisk		JCS Sartin	Chairman	DCF Utting	Appointed 4 January 2021
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GC Dodge	Appointed 4 January 2021																
CE Pease																	
MM Prisk																	
JCS Sartin	Chairman																
DCF Utting	Appointed 4 January 2021																
Independent examiners	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD																

The Hertfordshire Festival of Music

Report of the trustees

For the year ended 30 June 2021

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Structure, governance and management

The Hertfordshire Festival of Music is a charitable incorporated organisation. This annual report covers the year ended 30 June 2021.

The Festival took place from 4 to 10 June 2021. Due to the ongoing Covid pandemic, the original programme was modified to take into account social distancing and other requirements.

Legal objects

The Hertfordshire Festival of Music was registered as a charity with the Charities Commission on 14 November 2017 with charity number 1175716. It is governed under its constitution.

The constitution states the objects of the charity to be:

1. To advance, improve, develop and maintain public education in, and appreciation of, the art and science of music and its associated artistic genre in all its aspects by any means the trustees see fit, including through the presentation of public concerts and recitals; and
2. To provide facilities which promote the practice or enjoyment of the art of music for recreation or other leisure time occupation and to make them available in the interests of social welfare to individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large with the object of improving conditions of life.

Trustees, governance and administration

The constitution provides that there must be at least three trustees who shall serve a renewable term of three years. The trustees are not remunerated for their trusteeship and details of the trustee expenses and any related party transactions are disclosed in the notes to the accounts.

For the 2021 Festival, Artistic Directors James Francis Brown and Tom Hammond led the day to day artistic and administration work of the Festival. Tom Hammond very sadly passed away in December 2021.

They were supported by a small number of staff in the run up to and at the Festival, covering marketing, PR and festival management. Volunteers supported activities such as front of house roles during the Festival itself. The Artistic Directors were paid a fixed annual fee for their work, and their expenses were covered.

The charity is committed to maintaining the highest standards of integrity and ethical behaviour in all its activities. All those working for the charity or associated with it are expected to uphold those standards.

Trustee recruitment

Hertfordshire Festival of Music's Board of Trustees seeks to involve people offering a range of skills relevant to the work of the Festival. These include individuals with professional music, legal and communications experience, charity sector expertise, and individuals with significant involvement within the local community.

The Hertfordshire Festival of Music

Report of the trustees

For the year ended 30 June 2021

At the end of 2020, we brought in three new Trustees with experience of communications and the charity sector, as these were identified as gaps on the Board. They were identified via people already involved in the Festival, and then each met with the Chairman of Trustees before being elected to the Board by the body of Trustees.

The Trustees have appointed a Treasurer, who attends all meetings and receives all communications involving all Trustees, but has preferred not to become a Trustee at the present time.

Risk management

The trustees have a risk management strategy which includes an annual review of the risks to which the charity may be exposed, and the establishment and implementation of systems and procedures designed to mitigate the impact on the charity of the risks identified. Key elements of the strategy include:

- The implementation of procedures for the authorisation of all financial transactions and the incurring of financial obligations;
- The setting of a reserves policy and its regular review by the trustees;
- The agreement of an annual Festival plan and budget, supported by a fundraising plan, which is regularly reviewed; and
- Procedures to ensure compliance with health and safety regulations.

Objectives and activities

The Hertfordshire Festival of Music is an annual summer celebration of classical music, based in the county town of Hertford, but with events and concerts in other parts of Hertfordshire.

The Festival exists to celebrate and nurture exceptional music-making, featuring some of the world's finest performers.

The Festival also supports professional and young musicians from Hertfordshire, presents fascinating music by living composers and devises major, innovative projects for education and participation.

The Festival programme seeks to bring classical music to people who may not have the regular opportunity to experience it.

Achievements and performance

Following the disappointment of having to cancel the 2020 Hertfordshire Festival of Music, trustees were keen to see the 2021 Festival take place if at all possible.

It was intended that the programme for 2020 would be transferred to 2021, but this was reviewed in detail in the light of the restrictions required by the pandemic, and some adjustments made.

There were limits on audience numbers for concerts to allow for social distancing, and where possible additional performances took place. We took the decision not to proceed with the planned event for schools due to the restrictions, and we modified the plans for a series of dementia-friendly musical activities, successfully running them virtually instead of in person.

All necessary Covid-secure measures were implemented, including hand sanitiser being made available, social distancing at all venues, and a digital programme was made available in place of a hard-copy one.

The Hertfordshire Festival of Music

Report of the trustees

For the year ended 30 June 2021

The Principal Artist was violinist Chloë Hanslip. Sadly, illness on the day prevented Chloë participating in the main Festival concert, but the programme was adapted and the audience were very understanding of the situation. Chloë was able to perform at a planned concert later in the Festival.

Violinist Tasmin Little OBE stepped in at very short notice to lead the Master Classes with young musicians which Chloë Hanslip had been due to attend.

The Featured Living Composer was Judith Weir CBE, Master of the Queen's Music. Alongside her music being played, Judith took part in an 'in conversation' event, which we were able to live stream.

The Festival's programme sought to engage a wide section of the community. Cellist Matthew Sharp presented Fairytale Stories, a mix of music and words for children. The dementia friendly music sessions worked very well as virtual events, taking music to people in care settings. Ahead of the concert with the Festival Orchestra, people who might find it difficult to attend a more formal concert were invited to attend a Relaxed Rehearsal.

An outside concert by ZRI in the yard of McMullen's Brewery was a triumph, with tickets selling out well before the event. It received a very positive response from the audience.

The Festival once again brought a wide range of music to its audiences, and in a wide variety of settings. Alongside those in Hertford, we were pleased to be able to take Festival events to Hatfield and Hitchin.

With so many events cancelled in 2021, trustees were very pleased that the Hertfordshire Festival of Music was able to proceed, and grateful for the significant efforts of all involved that made this possible.

Financial review

In challenging times, we have been grateful for the support of our funders - corporate sponsors, individual donors and local councils, who have all maintained their support for the Festival.

Our largest funder, Arts Council England, confirmed their support for our revised plans, and that their funding remained in place for two years, covering the Festivals in 2021 and 2022.

Due to 2020 still being a year with some restrictions in place following the pandemic, the number of people that could attend events with restrictions was lower than normal, therefore our ticket sales (£6,912) have been less than during our last festival held in 2019 (£14,647).

The financial position as at 30 June 2021 shows reserves of £13,203 (2020: reserves of £32,661).

Income was received in the year from a number of sources including a large grant from the Arts Council of £10,000 (2020: £25,000).

Other donors generally allowed us to hold the funds they had allocated to the 2020 Festival to 2021. These included £3,750 from our corporate sponsors, Longmores Solicitors and Handelsbanken, £2,000 from Queenswood school, and £10,300 from the local Councils and other Trusts and Foundations, together with £1,798 from members of our "Deer" Friends scheme.

The Hertfordshire Festival of Music

Report of the trustees

For the year ended 30 June 2021

Reserves policy

The Trustees wish to ensure that there are sufficient reserves held by the Charity to protect the continuity of the Festival. Following good practice, and with reference to Charity Commission guidelines, the Trustees aim to maintain unrestricted reserves at a minimum level equivalent to the total of three months' of indirect costs and 5% of one festival's direct costs. This reserve provision ensures sufficient start-up costs are available to support the following year's Festival.

Based on our budget for the 2022 festival, the current minimum reserve level has been calculated as follows:

▪ 3 months management and admin costs:	£7,650
▪ 5% of one festival's direct costs:	£1,480
Total minimum reserve level	<u>£9,130</u>

Unrestricted reserves at 30 June 2021 stood at £13,203 – therefore above the minimum reserves target above. Indeed, as our expenditure is heavily skewed to later in our financial year, these reserves actually provide longer than the 3 month cover. The additional reserves held will be used to support our 2022 festival.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with 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).

The law applicable to charities in England and Wales requires the trustees are to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which 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 constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Hertfordshire Festival of Music

Report of the trustees

For the year ended 30 June 2021

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

Members of the charity have no liability to contribute to the assets of the charity in the event of winding up. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were appointed as independent examiners to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 26 April 2022 and signed on their behalf by

Jane Sartin

Jane Sartin
Chairman

Independent examiner's report

To the trustees of

The Hertfordshire Festival of Music

I report to the trustees on my examination of the accounts of The Hertfordshire Festival of Music (the CIO) for the year ended 30 June 2021, which are set out on pages 8 to 16.

Responsibilities and basis of report

As the charity trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the CIO's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- (1) accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

William Guy Blake

Date: 26 April 2022

William Guy Blake ACA

Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

The Hertfordshire Festival of Music

Statement of financial activities

For the year ended 30 June 2021

		2021 Total £	Restated 2020 Total £
	Note		
Income from:			
Donations	2	13,926	43,248
Charitable activities	4	6,912	-
Other trading activities		<u>-</u>	<u>276</u>
Total income		<u>20,838</u>	<u>43,524</u>
Expenditure on:			
Raising funds		-	3,700
Charitable activities		<u>40,296</u>	<u>7,498</u>
Total expenditure	5	<u>40,296</u>	<u>11,198</u>
Net income / (expenditure) and net movement in funds	6	<u>(19,458)</u>	<u>32,326</u>
Reconciliation of funds:			
Total funds brought forward		<u>32,661</u>	<u>335</u>
Total funds carried forward		<u><u>13,203</u></u>	<u><u>32,661</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income and expenditure in current and prior period was unrestricted.

The 2020 comparatives have been restated in line with the Charities SORP (FRS 102) as described in note 13 to the accounts.

The Hertfordshire Festival of Music

Balance sheet

As at 30 June 2021

	Note	£	2021 £	Restated 2020 £
Current assets				
Debtors	9	1,254		3,085
Cash at bank and in hand		<u>25,218</u>		<u>29,576</u>
		26,472		32,661
Liabilities				
Creditors: amounts falling due within 1 year	10	<u>13,269</u>		-
Net current assets			<u>13,203</u>	32,661
Net assets			<u><u>13,203</u></u>	<u><u>32,661</u></u>
Funds	11			
Unrestricted funds				
Designated funds			10,000	25,000
General funds			<u>3,203</u>	<u>7,661</u>
Total charity funds			<u><u>13,203</u></u>	<u><u>32,661</u></u>

Approved by the trustees on 26 April 2022 and signed on their behalf by

Jane Sartin

Jane Sartin
Chairman

The Hertfordshire Festival of Music

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies

a) Basis of preparation

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

The Hertfordshire Festival of Music 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 note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. The Hertfordshire Festival of Music has received support from the Arts Council for the 2022 Festival and, subject to the Covid pandemic, the Trustees consider that there are no material uncertainties that will prevent the Festival taking place, having taken steps to ensure there is sufficient funding of the planned concerts and other activities.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

d) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

e) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

f) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to the cost of charitable activities, on the basis that any fundraising is undertaken directly.

The Hertfordshire Festival of Music

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies (continued)

g) Debtors

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

h) Cash at bank and in hand

Cash at bank and cash 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.

i) Creditors

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

j) 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 recognised at amortised cost using the effective interest method.

k) Accounting estimates and key judgements

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

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

There are no key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

2. Income from donations

	2021 Total £	Restated 2020 Total £
Donations	3,151	13,950
Donations in kind	-	2,500
Grants	10,000	25,000
Subscriptions - Deer Friends	775	1,798
Total income from donations	13,926	43,248

The Hertfordshire Festival of Music

Notes to the financial statements

For the year ended 30 June 2021

3. Government grants

The charity receives government grants, defined as funding from Arts Council England to fund charitable activities. The total value of such grants in the period ending 30 June 2021 was £10,000 (2020: £25,000).

4. Income from charitable activities

	2021	2020
	Total	Total
	£	£
Ticket sales	<u>6,912</u>	-
Total income from charitable activities	<u>6,912</u>	<u>-</u>

5. Total expenditure

	Charitable activities £	Support and governance costs £	2021 Total £
Festival costs			
Artist costs	14,836	-	14,836
Insurance	1,066	-	1,066
Consultancy costs	13,308	-	13,308
Office costs	2,006	-	2,006
Cost of ticket sales	302	-	302
Advertising and website	3,375	-	3,375
Other festival costs	3,060	-	3,060
Travel	1,143	-	1,143
Governance costs			
Accountancy fees	<u>-</u>	<u>1,200</u>	<u>1,200</u>
Sub-total	39,096	1,200	40,296
Allocation of support and governance costs	<u>1,200</u>	<u>(1,200)</u>	<u>-</u>
Total expenditure	<u>40,296</u>	<u>-</u>	<u>40,296</u>

Total governance costs were £1,200 (2020: £284)

The Hertfordshire Festival of Music

Notes to the financial statements

For the year ended 30 June 2021

5. Total expenditure (continued)

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Direct costs				
Fundraising costs	3,700	-	-	3,700
Festival costs				
Consultancy costs	-	5,000	-	5,000
Office costs	-	120	-	120
Advertising and website	-	1,389	-	1,389
Other festival costs	-	60	-	60
Travel	-	645	-	645
Governance costs				
Bank charges	-	-	104	104
Subscriptions	-	-	180	180
Sub-total	3,700	7,214	284	11,198
Allocation of support and governance costs	-	284	(284)	-
Total expenditure	<u>3,700</u>	<u>7,498</u>	<u>-</u>	<u>11,198</u>

The Hertfordshire Festival of Music

Notes to the financial statements

For the year ended 30 June 2021

6. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Independent examiners' remuneration:		
▪ Independent examination (including VAT)	<u>1,200</u>	<u>-</u>

7. Staff and key management personnel

The charitable incorporated organisation does not have any employees. The key management personnel of the charity comprise the trustees. The total employee benefits of the key management personnel of the charity were £nil (2020: £nil).

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Debtors

	2021 £	2020 £
Accrued income	241	235
Prepayments	<u>1,013</u>	<u>2,850</u>
	<u>1,254</u>	<u>3,085</u>

10. Creditors: amounts due within 1 year

	2021 £	Restated 2020 £
Accruals	<u>13,269</u>	<u>-</u>

The Hertfordshire Festival of Music

Notes to the financial statements

For the year ended 30 June 2021

11. Movements in funds

	At 1 July 2020 £	Income £	Expenditure £	Transfers between funds £	At 30 June 2021 £
Unrestricted funds					
<i>Designated funds</i>					
ACE grant	25,000	-	(25,000)	10,000	10,000
<i>General funds</i>	<u>7,661</u>	<u>20,838</u>	<u>(15,296)</u>	<u>(10,000)</u>	<u>3,203</u>
Total funds	<u><u>32,661</u></u>	<u><u>20,838</u></u>	<u><u>(40,296)</u></u>	<u><u>-</u></u>	<u><u>13,203</u></u>

Purposes of designated funds

ACE Grant This is for a grant received in 2020 to support 2 annual festivals, with £25,000 paid towards each festival. As the 2020 festival was postponed the grant has been 'ring-fenced' so as to cover the 2021 and 2022 festivals instead.

Prior year comparative

	At 1 July 2019 £	Restated Income £	Expenditure £	Transfers between funds £	Restated at 30 June 2020 £
Unrestricted funds					
<i>Designated funds</i>					
ACE grant	-	-	-	25,000	25,000
<i>General funds</i>	<u>335</u>	<u>43,524</u>	<u>(11,198)</u>	<u>(25,000)</u>	<u>7,661</u>
Total funds	<u><u>335</u></u>	<u><u>43,524</u></u>	<u><u>(11,198)</u></u>	<u><u>-</u></u>	<u><u>32,661</u></u>

12. Related party transactions

There were no related party transactions in the current or prior year.

The Hertfordshire Festival of Music

Notes to the financial statements

For the year ended 30 June 2021

13. Prior period restatement

The prior period comparatives have been restated for the reversal of deferred grant income, which is deemed to have met income recognition criteria in the prior period. The impact is outlined below:

	Total income 2020 £	Total creditors 2020 £	Total funds carried forward £
As originally stated at 30 June 2020	18,524	25,000	7,661
Impact of restatement of deferred income	<u>25,000</u>	<u>(25,000)</u>	<u>25,000</u>
Restated at 30 June 2020	<u><u>43,524</u></u>	<u><u>-</u></u>	<u><u>32,661</u></u>