

BRITISH ARTS FESTIVALS ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

BRITISH ARTS FESTIVALS ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Ms A J Giles
Mr A J Morris
Ms H Heslop
Dr J M Ali-Knight
Ms S M Canavar
Ms E J Smith
Ms A Gregg
Mr S Heap

(Appointed 18 September
2024)

Charity number

1193943

Independent examiner

Thorne & Co.
1 St Mary's Street
Ross-on-Wye
Herefordshire
England
HR9 5HT

BRITISH ARTS FESTIVALS ASSOCIATION

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BRITISH ARTS FESTIVALS ASSOCIATION

CHAIR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The 2023/24 year meant step change for BAFA, growing the organisation and undertaking a number of significant projects and research to support partners and members whilst increasing the awareness and value of the sector to stakeholders and funders.

BAFA's 2023 Conference for Festivals took place in November, under the banner *Festivals Unite: Navigating the Future* and hosted by Aviva Studios in Manchester. The conference attracted a strong speaker line-up and delegates, including European colleagues arising from BAFA's stronger engagement as a member of European Festivals Association (EFA); the programme included keynotes and panels from a diverse range of speakers including Manchester International Festival, Wonderfeel, Black Lives in Music and Data Culture Change exploring a broad range of themes which included research, team dynamics, AI, environmental sustainability, equity, diversity and inclusion, audience data and ticketing.

BAFA was successful in securing grant funding from three national funding bodies for the arts - Arts Council England, Arts Council of Wales and Creative Scotland - to undertake its *Festivals Mean Business* project, centred around a national sector research project undertaken by BOP Consulting but including organisational development for BAFA. This included consultancy support by Tall Projects, a BAFA rebrand and website redevelopment and relaunch, an enlarged staff team and professional support from communications, environmental sustainability and EDI specialist organisations. The research report, *Festivals Forward*, was launched in November 2024 and will engage festival members and beyond in research and development, to create outcomes that will shine a light on the current state of arts festivals and make recommendations for the future to support the long-term health of the sector.

In order to manage this programme of activity, BAFA undertook a successful recruitment campaign to engage a new Administrator and, for the first time in its history, a Marketing & Communications Manager, to support the Festivals Mean Business project and BAFA's organisational development. The results, in terms of engagement and awareness of BAFA's work to support festivals, have been significant including press awareness and campaigning to put festivals back on the agenda for national funders.

The association's role in creating a workforce for the future continued as, in addition to its work with festivals, BAFA hosted a successful student conference in October 2024, hosted by Manchester Metropolitan University, cementing its key role in connecting the festivals industry and academia, and supporting the next generation of festival professionals. Additional online member events included a member consultation event with the Home Office to discuss the development of Martyn's Law.

As a member organisation, BAFA continues to advocate for the festivals sector through its active engagement in a number of networks, including the European Festivals Association, Events Industry Forum, Creative UK's Trade Body Network, LIVE and Urban Sustainability Arts Network, as well as liaison with its sister festival networks Association of Festival Organisers, which moved to be part of Association of Independent Festivals (AIF). BAFA was also represented at the Labour Creates Conference and CUK event at the 2024 Labour Conference, and was invited to speak at a meeting of the Lib Dem DCMS team at Westminster, further positioning the value of festivals at a senior level in government.

BAFA continued to act as the industry partner in the Collaborative Doctoral Award with Birmingham City University, funded by Midlands 4 Cities. PhD candidate Naomi Taylor's work on festival team dynamics was featured in member events across the year, both online and in person, and she furthered her work interviewing a range of festival organisations on topics including the changing profile of their development post-Covid. She has now begun to contextualise this with a deeper dive both into BAFA history and the parallel developments in funding from national arts councils.

BAFA would like to extend our grateful thanks to all the members who contribute their knowledge and experience to the BAFA network, to Fiona Goh, BAFA's Director who has led and grown the organisation during this exceptional period of development, and the new team members Charlotte Wilkinson, Administrator and Amy Lord, Marketing & Communications Manager, who have helped support the organisation during this period of significant delivery. Our thanks also go to the Board of Trustees, in particular Alexis Paterson who has recently stepped down as Co-Chair of BAFA. She was an exceptional leader during a challenging time, demonstrating clear direction and guidance for the board and membership during her tenure, and steering BAFA to the current course of development. My thanks also go to Erica Smith, who has stepped into the role of Co-Chair; her approach to collaboration and support will help support BAFA in the coming years.

Arts festivals are a valuable sector: from small but mighty to large scale events, all are resilient powerhouses of creativity. We are proud to play our part in supporting the extraordinary work of this important sector across the UK.

BRITISH ARTS FESTIVALS ASSOCIATION

CHAIR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Sharon Canavar, BAFA Co-Chair

Date: 20 December 2024

BRITISH ARTS FESTIVALS ASSOCIATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

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

Financial review

Reserves policy

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

Structure, governance and management

The charity is a Charitable Incorporated Organisation (CIO). BAFA is governed by an 'Association' model constitution that sets out a board of trustees and voting rights for members at the Annual General Meeting.

The trustees who served during the year and up to the date of signature of the financial statements were:

Ms L N Fineran	(Resigned 10 May 2023)
Ms A J Giles	
Mr A J Morris	
Dr A M Paterson	(Resigned 10 December 2024)
Ms H Heslop	
Dr J M Ali-Knight	
Ms S M Canavar	
Ms E J Smith	
Ms A Gregg	
Mr S Heap	(Appointed 18 September 2024)

The Trustees report was approved by the Board of Trustees.

Ms S M Canavar
Trustee

20 December 2024

BRITISH ARTS FESTIVALS ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF BRITISH ARTS FESTIVALS ASSOCIATION

I report to the trustees on my examination of the financial statements of British Arts Festivals Association (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Edward Richards

FCCA

1 St Mary's Street
Ross-on-Wye
Herefordshire
HR9 5HT
England

Dated: 20 December 2024

BRITISH ARTS FESTIVALS ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £
Income from:					
Donations and legacies	3	-	40,071	40,071	30
Other trading activities	4	25,794	-	25,794	24,849
Investments	5	14	-	14	16
Total income		25,808	40,071	65,879	24,895
Expenditure on:					
Charitable activities	6	24,958	9,627	34,585	22,916
Total expenditure		24,958	9,627	34,585	22,916
Net income and movement in funds		850	30,444	31,294	1,979
Reconciliation of funds:					
Fund balances at 1 April 2023		12,470	-	12,470	10,491
Fund balances at 31 March 2024		13,320	30,444	43,764	12,470

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

BRITISH ARTS FESTIVALS ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Current assets					
Debtors	11	4,025		1,595	
Cash at bank and in hand		42,986		12,746	
		<u>47,011</u>		<u>14,341</u>	
Creditors: amounts falling due within one year	12	(3,247)		(1,871)	
Net current assets			43,764		12,470
			<u><u>43,764</u></u>		<u><u>12,470</u></u>
The funds of the charity					
Restricted income funds	13		30,444		-
Unrestricted funds	14		13,320		12,470
			<u>43,764</u>		<u>12,470</u>
			<u><u>43,764</u></u>		<u><u>12,470</u></u>

The financial statements were approved by the trustees on 20 December 2024

Ms S M Canavar
Trustee

BRITISH ARTS FESTIVALS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

British Arts Festivals Association is a Charitable Incorporated Organisation.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Constitution, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

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

1.4 Income

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

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

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

BRITISH ARTS FESTIVALS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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 are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

BRITISH ARTS FESTIVALS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	-	-	-	30	-	30
Grants	-	40,071	40,071	-	-	-
	-	40,071	40,071	30	-	30
Grants						
Arts Council England	-	31,071	31,071	-	-	-
Arts Council of Wales	-	9,000	9,000	-	-	-
	-	40,071	40,071	-	-	-

4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Non-charitable trading activities	1,086	1,066
Membership subscriptions and sponsorships	17,985	18,178
Fundraising events	6,723	5,605
Other trading activities	25,794	24,849

BRITISH ARTS FESTIVALS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	14	16

6 Expenditure on charitable activities

	Charitable expenditure 2024 £	Charitable expenditure 2023 £
Direct costs		
Wages and freelance	21,306	17,361
Subscriptions	372	240
Event costs	4,635	3,700
Insurance	348	332
Professional services and consultancy	5,400	-
Postage and stationery	241	385
Sundry expenses	1,461	130
Bank charges	75	96
	33,838	22,244
Share of support and governance costs (see note 7)		
Governance	747	672
	34,585	22,916
Analysis by fund		
Unrestricted funds	24,958	22,916
Restricted funds	9,627	-
	34,585	22,916

BRITISH ARTS FESTIVALS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Accountancy

	Support costs £	Governance costs £	2024 £	2023 £
Accountancy and professional	-	747	747	672
	-	747	747	672
Analysed between Charitable activities	-	747	747	672

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Total	-	-

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

10 Taxation

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

11 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	3,845	1,415
Prepayments and accrued income	180	180
	4,025	1,595

BRITISH ARTS FESTIVALS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	3,247	1,871

13 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

The restricted funds have been received from Arts Council England and Arts Council of Wales for Festivals Mean Business 4 (FMB4), which is a UK-wide research project delivering robust data to reflect how the sector has emerged post-pandemic and to advocate for arts festivals. This timely, impactful research will enable a step change in festivals' recognition and support: FMB 1,2 and 3 [2000, 2001 and 2008] delivered proven benefits, and BAFA will use research outcomes both to champion festivals and to invest in targeted support, growing a more diverse, resilient and sustainable sector.

The majority of expenditure from these funds will take place during the year ending 31 March 2025.

Further funds were received towards this project from Creative Scotland, after 31st March 2024 .

At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
-	40,071	(9,627)	30,444

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	12,470	25,808	(24,958)	13,320

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	10,491	24,895	(22,916)	12,470

15 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

Document Activity Report

Document Sent Fri, 17 Jan 2025 11:39:35 GMT

Document E-Sign Status E-Signed

E-Sign Activity Summary

Sharon Canavar E-Signed

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Date	Activity
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