

Registered number: 00818973
Charity number: 238476

**THE STOUR FESTIVAL COMPANY
LIMITED**
UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE STOUR FESTIVAL COMPANY LIMITED

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THE STOUR FESTIVAL COMPANY LIMITED

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

Trustees

T D D Hoffman MBE, Chairman
P A Batchelor
G J Holbourn
Mrs D E Hume
Mrs J G Loudon DL
Mrs K F Mitcalfe (appointed 25 November 2022)
C H Page

President and Life Patron

M Deller

Company registered number

00818973

Charity registered number

238476

Registered office

Henwood House, Henwood, Ashford, Kent, TN24 8DH

Company secretary

G J Holbourn FCA FCCA DChA

Artistic director

R Hollingworth

Accountants

Magee Gammon Corporate Limited, Henwood House, Henwood, Ashford, Kent, TN24 8DH

Bankers

Barclays Bank Plc, 13 Fremlin Walk, Maidstone, Kent, ME14 1QG

Barclays Bank Plc, 66 High Street, Ashford, Kent, TN24 8TL

Investment Managers

Baillie Gifford & Co, 1st Floor, Grimaldi House, 28 St James's Square, London, SW1Y 4JH

M&G Securities Limited, Laurence Poutney Hill, London, EC4R 0HH

Ruffer LLP, 80 Victoria Street, London, SW1E 5JL

Sarasin and Partners LLP, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU

Savills Charities Property Fund, 33 Margaret Street, London, W1G 0JD

THE STOUR FESTIVAL COMPANY LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements of the Charity, The Stour Festival Company Limited, for the year ended 31 August 2023. The Trustees confirm that the Annual Report and financial statements of the Company comply with the current statutory requirements, the requirements of the 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 (FRS 102) (effective 1 January 2019).

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

The Charity also operates under the name Stour Music. These financial statements have been drawn up for the year ended 31 August 2023.

Objectives and activities

a. Policies and objectives

The objects of the Charity are the promotion and encouragement of the Arts, primarily by the production of musical recitals, but not excluding opera, plays, drama, lectures, readings and other artistic activities of an educational nature.

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)'.

b. Activities undertaken to achieve objectives

The Charity provides financial backing for an annual Music Festival (Stour Music) which is widely advertised. Tickets are subsidised by the Charity and are available to the general public. The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives, and in planning future activities.

THE STOUR FESTIVAL COMPANY LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance

a. Review of activities

The 61st year of Stour Music in June 2023 continued the process of recovery and modest change free of the constraints and caution caused by COVID. Robert Hollingworth, our Artistic Director, delivered an ambitious programme of exceptional quality featuring leading groups and soloists from Britain and Europe. The weather was kind and the location, All Saints Boughton Aluph, near the foot of the North Downs, provided, once again, a perfect setting for a feast of mainly Renaissance and Baroque music plus a touch of modernity in jazz and saxophone.

The Festival opened with 'Angels and Demons' featuring I Fagiolini and Brecon Baroque in works from Monteverdi to Iribarren. The two main Saturday concerts both featured JS Bach; the first was a spell-binding performance by Solomon's Knot of the St Matthew Passion sponsored by our Festival Administrator, Sue Davison and her late husband, Peter. The second comprised Bach's two Triple Harpsichord Concertos and a setting of his Toccata and Fugue in D Minor for three harpsichords, played by Trevor Pinnock, Steven Devine and Terence Charlston, with string accompaniment. This concert was given to honour the memory of Andrew Garrett a leading harpsichord maker and long-time lynch-pin of Stour Music. The theme of paying tribute to key figures in the early music revival continued with a concert entitled 'The Count and the Duke' featuring Bill Lyons and The City Music, in a Renaissance Big Band tribute to David Munrow who had been a regular contributor to Stour Music in its early days. A programme titled 'Revoiced' given by the Corvus Consort and Ferio Saxophone Quartet presented familiar Renaissance and Baroque pieces and some more modern works in a novel way blending voice and saxophone. The final main concert 'Reining in the Donkey' featured soloists and the Stour Festival Choir in a performance of a newly reconstructed work by Orazio Benevoli 'Missa Maria Prodigio Celeste' and Carissimi's 'Jephte'. Our programme of late-night concerts featured the Fair Oriana duo in Elizabethan courtly music, jazz group Standard Deviation performing in the main marquee, a young Spanish vocal quartet Cantoria in repertoire from the Spanish renaissance, and the mezzo Helen Charlston with Toby Carr theorbo, in 'Battle Cry'.

A programme of great variety but high quality throughout would not be possible without Stour Music's ability to attract artists who are among the very best in their respective fields and to support them with the behind-the-scenes work of the team of staff, volunteers and local suppliers who help make it all happen. We are also immensely indebted to those who give us access to their properties to accommodate festival marquees and carparks and provide water and power supplies (the Vicar and PCC of All Saints Boughton Aluph, Mr and Mrs Hugh Summerfield and Mr Bay Green). Once again, we received very generous sponsorship support and donations from our Friends and other supporters. Specific concerts were sponsored by James and Jane Loudon, Lady Wilkinson, Sue and the late Peter Davison, Paul and Janet Batchelor, the Rothermere Foundation, Christopher Green, Gilbert Holbourn, the late Anne Marston, the late Cynthia Hawes and the John Swire 1989 Charitable Trust. Other generous sponsors include Sir Graeme Odgers, Martin and Caroline Goodier, Dave Green and the late Mary Tidman.

We again received excellent service and support from local service providers and equipment suppliers. We continue to try to engage a wide range of local businesses and institutions in the activities of the festival. The composition of the Festival Committee continues to evolve. Three stalwart members who have served for many years - Jenny Beaugié, Marion Hanbury and Paul White - have announced their wish to step down. We record our grateful thanks for all they have done for Stour Music and are pleased to report that each will continue to volunteer at festival events. Two new Committee members have been identified and they will offer themselves for election at the next AGM.

We are also pleased to report that the Company has been able, with the support and encouragement of the Vicar and PCC at All Saints Boughton Aluph, to fund, gain permission for and install a sound system and hearing loop in the church which will improve communication of the spoken voice.

THE STOUR FESTIVAL COMPANY LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance (continued)

b. Investment policy and performance

The Trustees' investment policy is intended to protect the Charity's reserves and to achieve a satisfactory total return on the investments over the long term in support of its promotion and encouragement of the Arts.

The movements in the listed investments during the year are set out in note 13 to the financial statements.

Under the terms of the Memorandum and Articles of Association the Trustees have the power to make any changes to the investments they feel necessary in order to maintain and/or improve the Charity's income and reserves.

Financial review

a. Financial Review

The income for the year from voluntary sources, including donations, sponsorship and friends' subscriptions amounted to £105,827 (2022 - £72,555). Shortly after the 2022 festival Sir Graeme Odgers made a generous donation of £20,000 to finance future festivals which together with gift aid of £5,000 has been incorporated in these accounts. Investment income amounted to £14,290 (2022 - £11,611) and income from charitable activities, which includes ticket sales and fundraising, amounted to £72,050 (2022 - £56,947). Total income for the year amounted to £192,167 (2022 - £141,113).

Expenditure of direct charitable expenditure amounted to £178,695 (2022 - £141,933) whilst governance costs amounted to £8,210 (2022 - £5,230). Total expenditure for the year amounted to £186,905 (2022 - £147,163).

After the receipt of the Theatre Tax Credit claim of £29,113 (2022 - £8,392) and taking into account net losses on investments of £20,179 (2022 - £31,437) the overall surplus for the year amounted to £14,196 (2022 - deficit of £29,095).

At 31 August 2023 total funds amounted to £479,159 (2022 - £464,963).

b. Going concern

The value of the Charity's investments were badly affected by the COVID-19 pandemic but the Trustees are confident that the Charity continues to be a going concern due to the level of reserves held. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

c. Reserves policy

The General Reserve is the accumulation of net surplus income and is invested under the terms of the Memorandum and Articles of Association. The Trustees are of the opinion that the investments are appropriate for the provision of the additional income necessary to contribute towards the future costs of the annual Music Festival, other declared objectives and administration.

The Trustees' policy is to maintain a level of reserves which will provide a stable base for its continuing activities and these are reviewed on a regular basis.

THE STOUR FESTIVAL COMPANY LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management

a. Constitution

The Charity was set up as a Limited Company in 1964 and is governed by the Memorandum and Articles of Association which were last amended on 16 June 1965.

The Articles of Association of the Charity provide that no dividend shall be paid to Members.

b. Methods of appointment or election of Trustees

The Charity is administered by a Board of Trustees who meet at least three times a year. New Trustees are appointed by agreement of all serving Trustees and the appointments are ratified by the shareholders at the Annual General Meeting. Particular care is taken to ensure the Board has available the appropriate skills in order to fulfil its duties.

Each Trustee has access to and is encouraged to review:

- Board and general meeting minutes;
- Financial information and annual accounts;
- Future plans of the Charity;
- Identification of risks and suggested action.

c. Organisational structure and decision-making policies

All matters of principle are agreed by the Trustees whilst the implementation of the policies is delegated to the Company Secretary and, in the case of the Music Festival, to the Artistic Director and the Festival Committee.

d. Risk management

The Trustees have reviewed the major risks to which the Charity is exposed. Two documents have been drawn up detailing the procedures for their mitigation and how they should be handled - one for the Trustees and the other for the Festival Committee.

Plans for future periods

a. Future developments

Planning is already under way for the 2024 Festival which is scheduled to take place over the period 21-30 June 2024. The format of the festival will remain broadly the same. An initiative to engage more with students at local schools who have an interest in classical music is to be launched on a trial basis.

Post balance sheet event

The Trustees are delighted to report the receipt of a further £33,287 in November 2023 arising from the completion of the Estate of the late Iris Janet Kerrich as detailed below.

An interim distribution of £16,428 had been received in 2021 and a final distribution of £8,429 has now been received.

Ashford Music Society was a beneficiary of the Estate but as the Society no longer exists the sum of £24,858 has been allocated to The Stour Festival Company Limited by the executors of the estate.

THE STOUR FESTIVAL COMPANY LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Statement of Trustees' responsibilities

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements 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 Charity will continue in business.

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

Approved by order of the members of the board of Trustees on 17 November 2023 and signed on their behalf by:



T D D Hoffman MBE
Chairman

THE STOUR FESTIVAL COMPANY LIMITED

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Independent examiner's report to the Trustees of The Stour Festival Company Limited ('the Charity')

We report to the charity Trustees on our examination of the accounts of the Charity for the year ended 31 August 2023.

Responsibilities and basis of report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent examiner's statement

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us cause to believe:

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

We 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.

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 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 Independent examiner's 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 the Charity's Trustees as a body, for our work or for this report.

Signed:



Dated: 17 November 2023

Andrew John Childs FCA

Magee Gammon Corporate Limited
Chartered Accountants
Henwood House
Henwood
Ashford
Kent
TN24 8DH

THE STOUR FESTIVAL COMPANY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:					
Donations and legacies	4	105,577	250	105,827	72,555
Charitable activities	5	72,050	-	72,050	56,947
Investments	6	14,290	-	14,290	11,611
TOTAL INCOME		191,917	250	192,167	141,113
EXPENDITURE ON:					
Charitable activities	7	186,655	250	186,905	147,163
TOTAL EXPENDITURE		186,655	250	186,905	147,163
NET INCOME/(EXPENDITURE) BEFORE NET LOSSES ON INVESTMENTS					
		5,262	-	5,262	(6,050)
Net losses on investments	13	(20,179)	-	(20,179)	(31,437)
NET EXPENDITURE BEFORE TAXATION		(14,917)	-	(14,917)	(37,487)
Taxation	11	29,113	-	29,113	8,392
NET MOVEMENT IN FUNDS		14,196	-	14,196	(29,095)
RECONCILIATION OF FUNDS:					
Total funds brought forward		463,023	1,940	464,963	494,058
Net movement in funds		14,196	-	14,196	(29,095)
TOTAL FUNDS CARRIED FORWARD	19	477,219	1,940	479,159	464,963

The Statement of financial activities includes all gains and losses recognised in the year. All the Charity's activities are derived from continuing operations during the above financial year.

The notes on pages 11 to 22 form part of these financial statements.

THE STOUR FESTIVAL COMPANY LIMITED
REGISTERED NUMBER: 00818973

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	19,274	-
Investments	13	393,965	414,144
		<u>413,239</u>	<u>414,144</u>
CURRENT ASSETS			
Stocks	14	289	423
Debtors	15	2,510	488
Cash at bank and in hand	17	66,467	79,183
		<u>69,266</u>	<u>80,094</u>
Creditors: amounts falling due within one year	16	(3,346)	(29,275)
NET CURRENT ASSETS		<u>65,920</u>	<u>50,819</u>
TOTAL NET ASSETS		<u><u>479,159</u></u>	<u><u>464,963</u></u>
CHARITY FUNDS			
Restricted funds	19	1,940	1,940
Unrestricted funds			
Designated funds	19	5,000	-
General funds	19	472,147	462,951
Share capital	19	72	72
Total unrestricted funds	19	<u>477,219</u>	<u>463,023</u>
TOTAL FUNDS		<u><u>479,159</u></u>	<u><u>464,963</u></u>

THE STOUR FESTIVAL COMPANY LIMITED

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023**

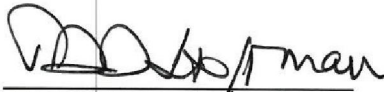
The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

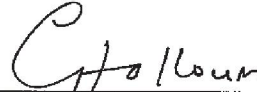
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 17 November 2023 and signed on their behalf by:



T D D Hoffman MBE
Chairman



G J Holbourn
Trustee

The notes on pages 11 to 22 form part of these financial statements.

THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

The company is a limited company incorporated in England and Wales. The members of the company are the Trustees named on page 1, plus Harriet Clements and Alice Wilkinson.

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) Second Edition (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements are presented in Sterling and rounded to the nearest pound.

2.2 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.

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

Grants are included in the 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 donations received under Gift Aid is recognised at the time of the donation.

THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.3 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.

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

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

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

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

2.5 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 or deposit holder.

2.6 Taxation

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

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following basis:

Equipment	-	25% per annum
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THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

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 Statement of financial activities.

2.9 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.

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.

2.11 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 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 advance payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as interest payable and similar charges.

2.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

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 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.

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

3. Critical accounting estimates and areas of judgement

Estimates and judgements 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. There are no 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.

THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
General donations	26,260	-	26,260	13,662
Sponsorship	38,600	-	38,600	36,550
Subscriptions	13,435	-	13,435	13,615
Income tax recoverable	14,282	-	14,282	8,228
Legacies	13,000	-	13,000	-
Government grants	-	250	250	500
Total donations and legacies	105,577	250	105,827	72,555
<i>Total 2022</i>	<i>72,055</i>	<i>500</i>	<i>72,555</i>	

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Festival ticket sales	60,072	60,072	47,877
Other festival revenue	11,978	11,978	9,070
Total 2023	72,050	72,050	56,947

2022: All income unrestricted.

THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from listed investments	12,648	12,648	11,611
Bank interest receivable	1,642	1,642	-
Total 2023	14,290	14,290	11,611

2022: All income unrestricted.

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Festival & governance expenditure	186,655	250	186,905	147,163
Total 2022	146,663	500	147,163	

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Festival & governance expenditure	178,695	8,210	186,905	147,163
Total 2022	141,933	5,230	147,163	

9. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £3,624 (2022 - £2,562).

THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

10. Trustees' remuneration and expenses

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

During the year, no Trustee expenses have been incurred (2022 - £Nil).

11. Taxation

	2023 £	2022 £
Corporation tax		
Theatre Tax Credits received in respect of previous periods	(29,113)	(8,392)
Taxation	<u>(29,113)</u>	<u>(8,392)</u>

The tax credit relates to Tax Credits in respect of Theatre Tax Relief received by the charitable company in respect of the previous year.

There are no factors that may affect future tax charges, except for potential future claims for Tax Credits in respect of Theatre Tax Relief which is not quantifiable at the balance sheet date.

12. Tangible fixed assets

	Equipment £
Cost or valuation	
At 1 September 2022	4,407
Additions	20,559
Disposals	(4,407)
At 31 August 2023	<u>20,559</u>
Depreciation	
At 1 September 2022	4,407
Charge for the year	1,285
On disposals	(4,407)
At 31 August 2023	<u>1,285</u>
Net book value	
At 31 August 2023	<u>19,274</u>
At 31 August 2022	<u>-</u>

The above is a sound system which has been installed in Boughton Aluph Church.

THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 September 2022	356,138	58,006	414,144
Revaluations	(10,629)	(9,550)	(20,179)
At 31 August 2023	<u>345,509</u>	<u>48,456</u>	<u>393,965</u>
Net book value			
At 31 August 2023	<u>345,509</u>	<u>48,456</u>	<u>393,965</u>
At 31 August 2022	<u>356,138</u>	<u>58,006</u>	<u>414,144</u>

All the fixed asset investments are shown at market value and are held in the UK.

Material Investments

	2023 £	2022 £
Baillie Gifford & Co	53,322	50,704
M&G Securities Limited	101,477	107,013
Ruffer LLP	95,824	101,144
Sarasin and Partners LLP	94,886	97,277
Savills Charity Property Fund	48,456	58,006
	<u>393,965</u>	<u>414,144</u>

14. Stocks

	2023 £	2022 £
Finished goods and goods for resale	<u>289</u>	<u>423</u>

THE STOUR FESTIVAL COMPANY LIMITED

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

15. Debtors

	2023 £	2022 £
Other debtors	513	488
Prepayments and accrued income	1,997	-
	<u>2,510</u>	<u>488</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	3,346	29,275
	<u>3,346</u>	<u>29,275</u>

The value of income deferred during the period is £Nil (2022 - £26,875). The amounts deferred were festival donations paid in advance.

17. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through income and expenditure	66,467	79,183
Financial assets that are debt instruments measured at amortised cost	513	488
	<u>66,980</u>	<u>79,671</u>

Financial assets measured at fair value through income and expenditure comprise cash held at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise of other debtors.

18. Share Capital

	2023 £	2022 £
Allotted, called up and fully paid		
72 Ordinary shares of £1 each	72	72
	<u>72</u>	<u>72</u>

THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Designated funds						
Special Projects	-	-	-	5,000	-	5,000
General funds						
General Funds	462,951	191,917	(157,542)	(5,000)	(20,179)	472,147
Share capital	72	-	-	-	-	72
	<u>463,023</u>	<u>191,917</u>	<u>(157,542)</u>	<u>(5,000)</u>	<u>(20,179)</u>	<u>472,219</u>
Total Unrestricted funds	<u>463,023</u>	<u>191,917</u>	<u>(157,542)</u>	<u>-</u>	<u>(20,179)</u>	<u>477,219</u>
Restricted funds						
Special projects fund	1,940	-	-	-	-	1,940
Local Authority Grant	-	250	(250)	-	-	-
	<u>1,940</u>	<u>250</u>	<u>(250)</u>	<u>-</u>	<u>-</u>	<u>1,940</u>
Total of funds	<u>464,963</u>	<u>192,167</u>	<u>(157,792)</u>	<u>-</u>	<u>(20,179)</u>	<u>479,159</u>

THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds					
General Funds	492,046	140,663	(138,321)	(31,437)	462,951
Share capital	72	-	-	-	72
	<u>492,118</u>	<u>140,663</u>	<u>(138,321)</u>	<u>(31,437)</u>	<u>463,023</u>
Restricted funds					
Special projects fund	1,940	-	-	-	1,940
Local Authority Grant	-	500	(500)	-	-
	<u>1,940</u>	<u>500</u>	<u>(500)</u>	<u>-</u>	<u>1,940</u>
Total of funds	<u>494,058</u>	<u>141,163</u>	<u>(138,821)</u>	<u>(31,437)</u>	<u>464,963</u>

Special project fund (Restricted)

This fund is for use in connection with the composition and production of new works for the annual Music Festival.

Local Authority Grant

This grant was provided to be spent on the choir for the festival and was fully expended in the year.

Special project fund (Designated)

The charity received a legacy which the Executors requested should be used for something other than general festival and running expenses. This was a request and not stipulated in the will of the deceased. As a result, the trustees have decided to set this aside for a future project of the charity.

THE STOUR FESTIVAL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	19,274	-	19,274
Fixed asset investments	393,965	-	393,965
Current assets	67,326	1,940	69,266
Creditors due within one year	(3,346)	-	(3,346)
Total	477,219	1,940	479,159

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Fixed asset investments	414,144	-	414,144
Current assets	78,154	1,940	80,094
Creditors due within one year	(29,275)	-	(29,275)
Total	463,023	1,940	464,963

21. Related party transactions

There have been no transactions with related parties during the period under review (2022 - none), other than sponsorship of the festival and donations by trustees of £10,400 (2022 - £10,250) for which they received no personal benefit.

22. Post balance sheet events

The Trustees are delighted to report the receipt of a further £33,287 in November 2023 arising from the completion of the Estate of the late Iris Janet Kerrich as detailed below.

An interim distribution of £16,428 had been received in 2021 and a final distribution of £8,429 has now been received.

Ashford Music Society was a beneficiary of the Estate but as the Society no longer exists the sum of £24,858 has been allocated to The Stour Festival Company Limited by the executors of the estate.