

CANTERBURY THEATRE AND FESTIVAL TRUST

England & Wales · Charity number 279714

Details

Other names	CANTERBURY NEW THEATRE LIMITED, CANTERBURY FESTIVAL
Status	Registered
Legal form	Charitable company
Company number	01480595
Registered	1980-03-28
Register	View on the Charity Commission register

Contact

Address	Festival House 8 Orange Street Canterbury CT1 2JA
Phone	01227452853
Email	info@canterburyfestival.co.uk
Website	www.canterburyfestival.co.uk

Activities

Objects: TO PROMOTE AND ADVANCE THE EDUCATION OF THE PUBLIC IN THE PERFORMING AND VISUAL ARTS, INCLUDING BUT NOT LIMITED TO THE INVOLVEMENT AND PARTICIPATION OF THE PUBLIC THEREIN;PROVIDED THAT ALL THE OBJECTS OF THE TRUST SHALL BE OF A CHARITABLE NATURE AND THAT THEIR PROMOTION SHALL BE OF PUBLIC BENEFIT

Activities: Kent's International Arts Festival.Year round education & outreach activities.Commissioning & producing new works of relevance to East Kent

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- **Area of benefit:** CANTERBURY
- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£611,833	£740,344	£422,227	6
2024-03-31	£696,808	£691,771	£541,319	6
2023-03-31	£622,685	£650,458	£504,140	6
2022-03-31	£454,258	£485,413	-	-
2021-03-31	£447,509	£459,859	-	-

Trustees

Name	Role	Appointed
PROFESSOR KEITH CHARLES MANDER	Chair	
CAMILLA SWIRE		
Christopher Nickols		2018-07-10
Colin Carmichael		2016-07-06
Dr Dan Lloyd		2015-12-01
Hilary Riva OBE		2019-11-18
Jessica Barry		2026-01-21
Louise Helen Provan		2026-01-21
Mr Tony Walder		2016-07-07
Professor Alistair Borthwick		2020-07-23
Rebecca Claire Huxley-Binns		2026-01-21
Simon Ludden		2025-02-01

CANTERBURY THEATRE AND FESTIVAL TRUST

England & Wales - Charity number 279714

Accounts

COMPANY REGISTRATION NUMBER: 01480595
CHARITY REGISTRATION NUMBER: 279714

Canterbury Theatre and Festival Trust
Company Limited by Guarantee
Financial Statements
31 March 2025

BURGESS HODGSON LLP

Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2025

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Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2025

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2025.

Chair's report

The Board of the Canterbury Theatre and Festival Trust presents its report for the year ending 31 March 2025, which includes the 2024 Festival.

The Canterbury Festival is an internationally respected annual two-week extravaganza of music, performance, talks, comedy, family events, science and more. The Festival showcases Canterbury as a diverse and dynamic centre of culture and welcomes both loyal and new audiences of all ages and backgrounds to be inspired and delighted in a celebration of creativity. Our Festival is amplified by a vibrant year-round programme, with creative opportunities, particularly for young people, performances, and events, all of which contribute towards making Canterbury an exciting place to live, work, learn and play.

I have often said that running an Arts organisation is like riding a bicycle - you have to keep moving otherwise you fall off. With smooth terrain, progress is easy, but sometimes the terrain becomes bumpy, and sometimes what appears to be smooth terrain turns out to be the organisational equivalent of a rain-filled pothole. In the Board's report to the 2024 accounts I observed that 2023-4 was one of our bumpier years, and the bumpiness extended into 2024-5.

Whilst we were recruiting a new Festival Director and Chief Executive, following the unsuccessful attempt to recruit an immediate replacement for Rosie Turner in 2023-4, Amanda McKean and the rest of the team stepped up to deliver the 2024 Festival - our 40th year - which went very smoothly indeed. We sold nearly 13,000 tickets - exceeding our box office target - across seven genres: classical, contemporary music, performance, talks, science, family and walks. Artistic choices also celebrated some of the highlights from previous years. A standout event was the performances of the immersive experience *Secret Byrd*, delivered in the Eastern Crypt of Canterbury Cathedral by the Gesualdo Six. Other highlights included: the recital by Sheku and Isata Kanneh-Mason; Oysterband with June Tabor as part of their *A Long Goodbye Tour*; the conversation with Rory Bremner; The Shires; the Ukulele Orchestra of Great Britain; and the BBC Big Band. The Festival was opened by *Tenebrae* repeating the *Path of Miracles* which they performed for us in 2017 and closed by the Canterbury Choral Society performing the *Monteverdi Vespers of 1610*, thus providing a musical span of over 400 years.

The Festival also hosted 50 walks, a range of "umbrella" events including art exhibitions independently organised within Festival dates, and a Schools' Poetry Competition, which went on to provide another standout event for the Festival.

In February 2025 HM The Queen visited Canterbury to unveil the statue of Aphra Behn and tour the Beaney House of Art and Knowledge. Amanda Sefton Hogg, the Festival's Public Engagement Manager, was invited to present the Canterbury Festival's Schools' Poetry project to the Queen, including introducing two young winners, who were invited to read their winning poems to the Queen and the attending VIP guests. The impact of the Queen congratulating a young girl on "a lovely poem, keep writing" is immense, but is just one example of the lasting benefit of the Festival's year-round public engagement activities.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

In difficult economic circumstances, we were able to sustain good levels of donations and sponsorship. Once again, we acknowledge with gratitude the support of our key partners (Kent College, Canterbury Christ Church University, the University of Kent and Craven Street Wealth), and in particular the support of our Principal Sponsor for 2024 - Paul Roberts - also celebrating their 40th Anniversary Year. The Trustees are once more particularly appreciative of the enthusiastic commitment of those who continue to buy tickets for the Festival, and those who donate to keep the Festival alive. I should like to extend my thanks to the volunteers, including the Trustees themselves, that provide help and lively and professional support each year.

However. The financial model that we use to inform the Festival's finances has not changed for many years and requires revision. Our core costs - costs that relate to providing the core infrastructure needed to organise the Festival (and particularly staffing) - remain stubbornly high. In previous years we have either used reserves, or sought out a spectacular event to generate a substantial enough income, to offset most of these costs. This year, we decided to programme a Luxmuralis show in Augustine's Abbey, timed to coincide with the darkening evenings and Christmas shopping. In retrospect, this was a mistake, and made a loss rather than generating income to cover core costs. There were also other events that would have benefited from greater clarity over the apportionment of costs. In summary, a budgeted trading position that was roughly break-even turned into an actual loss of over £100k. While we have the reserves to cover this, we would have preferred to use these reserves to support the artistic ambitions of the new Festival Director.

On 1 November 2024, we were delighted to welcome Susannah Stevenson as our new Festival Director and Chief Executive. Susannah brings considerable experience from the Charleston Festival and the British Library, and since November has set about challenging our ideas with a view to refreshing both our artistic ambitions and organisational structures. We welcome this, hoping that it will better enable us to move forward, to develop exciting new programmes of artistic excellence in our two-week Festival while achieving audience numbers to sustain the Festival's financial future and raise its national profile. This will allow it to continue to contribute significantly to support Kent-based artists and reflect the very best of the City of Canterbury within which it currently operates in a year-round programme of other activities.

2025-6 will undoubtedly bring changes as we bring new blood and new skills to the Festival: developing the Festival team, introducing new trustees to the Board and supporting our partners with challenges of their own. But the changes are ones that the Festival needs to embrace with enthusiasm to sustain the Festival into the next 40 years.

Professor Keith Mander
Chairman

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Reference and administrative details

Registered charity name	Canterbury Theatre and Festival Trust
Charity registration number	279714
Company registration number	01480595
Principal office and registered office	8 Orange Street Canterbury Kent CT1 2JA United Kingdom

The trustees

Professor A Borthwick	
Mr C Carmichael	
Mr P A Hermitage	
Mr A T Ironside	(Resigned 1 April 2024)
Professor D R Lloyd	
Mr S Ludden	(Appointed 1 February 2025)
Prof K C Mander	
Dr K E Neales	
Air Marshall C M Nickols	
Mrs H Riva	
Mr H J E Summerfield	
Mrs C Swire	
Mr T Walder	

Auditor	Burgess Hodgson LLP Chartered accountants & statutory auditor Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN
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Bankers	National Westminster Bank plc 11 The Parade Canterbury Kent CT1 2SQ
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Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new Trustees

As set out in the Articles of Association, the Trustees retire by rotation one third each year but shall be eligible for re-election. The Articles allow for the board to appoint Trustees during the year, such Trustees shall retain their office only until the next AGM but shall then be eligible for re-election. When considering co-opting a Trustee (new appointment), the Board has regard to the requirements of any specialist skills needed and in order to provide necessary academic, professional and commercial knowledge required with respect to a charitable arts company.

Induction and training new Trustees

New Trustees are offered training to brief them on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and current financial performance of the charity. From time to time trustees are encouraged to attend appropriate external training events, where these will facilitate the understanding of their role.

Organisational structure

The charity is governed by the Board of Trustees, which meets at least five times a year and is responsible for making strategic and governance decisions regarding the Trust. There are sub-committees covering sponsorship and finance and secondly strategy and planning. These sub-committees are assisted by the charity's staff members. The Festival Director has delegated authority, within terms approved by the Trustees, for operational matters including finance, employment and artistic performance related activity. At each board meeting, detailed written reports are submitted by the officers and sub-committees for open discussion.

Related parties

The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust (the charity). The aim of the organisation is to raise endowment funds which can be invested, and income used for the benefit of Canterbury Theatre and Festival Trust. The Canterbury Theatre and Festival Trust has the power to appoint a minimum of 60% the Trustees to the Canterbury Festival Foundation. In 2024/25, the Foundation donated £nil (2023/24: £10,000) to the charity.

The Friends of Canterbury Festival is an organisation incorporated as from June 2004 within the Canterbury Festival Foundation which raises funds for Canterbury Theatre and Festival Trust. In 2024/25, the Friends donated a total of £30,000 (2023/24: £25,000) to the charity.

Each year the Canterbury Festival Foundation offers a Bursary to a young musician which is presented at a concert held during the Canterbury Festival. The costs with respect to individual grant making are borne by the charity, on behalf of the Foundation. The work is carried out on an in-kind basis by employees of the charity as part of their normal duties and the cost of staging the concert is met by the charity as part of its general expenditure on production.

Risk management

The charity's risk management strategy includes:

1. A bi-annual review of the risks the charity may face.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

2. The establishment of systems and procedures to mitigate those risks identified in the delivery of the Festival's Strategic Plan 2021-2024 created in 2020 for the period to 2024.

3. The implementation of procedures designed to minimise any potential impact on the charity, should these risks materialise.

The charity maintains a Risk Register which identifies the principal risks as non-financial issues arising from artistic excellence, competition and public perception, together with management of the specific risks concerning the loss of core income or failure to reach fundraising targets. The Trustees are satisfied that adequate steps are taken to mitigate these risks and others identified within the Risk Register.

A further key element in the management of financial risk is the setting of a reserve policy and its regular review by Trustees.

Reserve policy

1. The Festival's financial objectives require the organisation to maintain a free cash reserve equivalent to 6 months of core operating costs equating to **£150,000**.

2. The Trustees and senior management recognise the risks associated with future ticket sales and accordingly, a designated reserve of **£20,000 p/a** is maintained to cover any shortfall.

3. The Festival continues to be heavily reliant upon fund raising, sponsorship and grant support. The full impact of the current economic climate upon supporters is unknown, however it is considered appropriate to designate up to **£25,000 p/a** against any shortfall.

Overall, a cash total reserve of **£195,000** is required to meet these objectives.

4. The Festival recognises the need to invest in its artistic output to ensure its ongoing relevance and reputation and prioritises its remaining reserves in support of future artistic endeavours.

The Policy

As a result of careful stewardship of its resources, Canterbury Festival has built a cash reserve of approximately £445k. This is held in its bank accounts as well as a medium-risk portfolio investment with Rathbones. In line with Charity Commission guidelines, the Festival has completed a full risk assessment of its three year financial projections and has determined that its reserves should be applied as follows:

1) The Festival's financial objectives require the organisation to maintain a free cash reserve equivalent to approximately six months of its core operating costs - £150k.

2) The Festival recognises the risks associated with future ticket sales and has determined to maintain a designated reserve of £40k to cover any shortfall in ticket income.

3) The Festival continues to be heavily reliant on fundraising, sponsorship and grant support. The full impact of the current economic environment on its supporters is unknown, however it is considered appropriate to designate up to £160k against any shortfall.

4) The new strategic plan recognises the importance of investment in order to ensure the Festival has the necessary technological and other infrastructure to support its future development and operation. Consequently, a maximum of £200k is being designated to reset the charity over the next three years.

By following this policy, Canterbury Festival will ensure that all its resources are applied to support the delivery of its charitable objectives.

Investment policy and objectives

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Under the Memorandum and Articles of Association the charity has the power to invest in any way the Trustees feel appropriate.

In the year 2015 the Trustees invested £300,000 of the unrestricted reserve with Rathbone's Investments. The Trustees have set an ethical approach to the Festival's investment portfolio. It does not wish to:

- Invest directly in companies the major part of whose business is pornography, gambling, tobacco, pay day loans or armaments.
- Invest in pooled investments funds where there is significant exposure to companies the major part of whose business is pornography, gambling, tobacco, pay day loans or armaments.

Objectives and activities

The principal objects of the charity as stated in the Memorandum of Association is to promote, maintain, improve and advance the education of the public in the arts, including the arts of drama, mime, dance, singing, opera and music, ballet, cinema, concert, stage performances and the visual arts generally. The charity promotes the arts in East Kent and in particular organises and runs the Canterbury Festival.

Strategies employed to achieve the charity's objectives are:

1. To engage national and international performing artists covering the range of activities noted as specified in the Articles of Association.
2. Supporting Kent-based artists and performers by promoting their activities.
3. To engage, promote and further develop an educational and outreach programme.
4. Fostering a greater sense of ownership of the Festival in the region through partnerships.
5. Additional creative projects to further develop arts in East Kent.
6. To play a strategically important year-round role supporting and developing the arts in the region.
7. To seek future funding and good financial controls to ensure the sustainability of the Festival.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Achievements and performance

Charitable activities

The Trustees believe the trust activities, including the 2025 Festival, have met the charity's objectives in full.

Public benefit

The Trustees confirm that they have complied with the duties set out in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives of the Charity.

Who used and benefited from our services

There were 105 ticketed festival events and a further 140 ticketed "Fantastic Tales" slots in the 2024 festival. In total, 19,707 tickets were sold, of which 6,000 were for "Fantastic Tales". Ticket sales for festival events were broadly on par with the previous year, with many events completely sold out.

As ever, our volunteers were great festival ambassadors and they, together with performers and walk-leaders all contributed to the festival's exciting atmosphere and well-managed range of events offered to audiences.

Festival Public Engagement delivers a free year-round community arts programme, focused on addressing a need for inclusive creative arts projects for all ages. Through a combination of projects listed below we provided approx. 35 free workshops, masterclasses and performance opportunities for almost 2,000 children, young people and older adults to develop artistic ambition, nurture appreciation and enjoyment of the arts in a creative learning context. In 2024/2025 approx. 11,000 people participated in the public engagement programme, an increase of 722% since the reintroduction of the public engagement programme in 2022.

- Pleasures of Past Times - collaborative project with Canterbury College and Special Collections, University of Kent (11 x free masterclasses, total participants = 167)
 - Schools' Poetry Programme (20 x free workshops, total participants = 1,183)
 - Schools' Poetry Anthology Design Project (1 x free project briefing, total participants = 22)
 - nu:chorus school singing project (7 x free workshops, total participants = 399)
 - Open Clay joyful assembly - clay making community project in collaboration with bOing! Festival (2 x free masterclasses, 2 x days event, total participants = 5,635)
 - Canterbury College Media Studies Project (3 x free masterclasses, total participants = 830)
 - CCCU Creative Industries Placements (3 x student briefings, total participants = 13)
 - Beautiful Noise - community music making project (638 x performers, total participants = 1,753)
 - Young Musicians' Bursary (total participants = 159)
 - TIME - music & dance project (Total participants = 83)
 - tiptaptoe - community dance project (2 x free workshops, total participants = 151)
 - Canterbury Festival Youth Orchestra (34 x young musicians, total participants = 153)
 - Contraband - celebration of youth music (34 x young musicians, total participants = 166)
 - UpStart Silver Surfers - comedy workshops & showcase (6 x free workshops, total participants = 47)
 - Creating Memories - project inspiring positivity through art in the dementia community (4 x free workshops, total participants = 27)
 - Building Blocks - creative project addressing issues of homelessness (5x free workshops, total participants = 47)
- 2024/2025 Total Schools' Participants = 1,863 from 45 schools across Kent.
 - 2024/2025 Total Public Engagement Programme Participants: 10,835
 - **TOTAL PARTICIPANT % INCREASE** since 2022 to 2025 of 722%

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Fundraising activities

A total of £234,526 (2024: £210,201) excluding box office and programme receipts was raised from Vice Presidents' donations and subscriptions, Gift Aid, general donation, corporate membership, special fundraising and sponsorship. A total of £12,010 (2024: £33,600) was raised from grants during the period.

Financial review

The statement of financial activity reflects the Festival's aspirations to become a year-round arts promoting organisation and develop its position as the major promoter of international work within East Kent.

The financial results for the period were unsatisfactory. The unrestricted Funds before accounting for transfers shows a deficit of £119,092.

Gross income was £611,833 (2024: £696,808).

Total resources expended in the year were £740,344, compared with £691,771 in the prior year.

There were unrealised gains on investments of £9,419 (2024: £32,142). There was no realisation of any of these gains during the year.

The total reserves, comprising Restricted and Unrestricted Funds, carried forward at the end of the year were £422,227, compared with £541,319 in the prior year.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Canterbury Theatre and Festival Trust

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on and signed on behalf of the board of trustees by:

Prof K C Mander
Trustee

Mr H J E Summerfield
Trustee

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust

Year ended 31 March 2025

Opinion

We have audited the financial statements of Canterbury Theatre and Festival Trust (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2025

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Canterbury Theatre and Festival Trust

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Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2025

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment.

We also consider the results of our enquiries of management, relating to their own identification and assessment of the risks of irregularities and possible related fraud. This includes reviewing available documentation on their policies and procedures and performing tests of controls to evidence their effectiveness.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit.

Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2025

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor'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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Collyer (Senior Statutory Auditor)

For and on behalf of
Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2025

		Unrestricted funds £	2025 Restricted funds £	Total funds £	2024 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	95,961	–	95,961	121,016
Charitable activities	6	360,872	25,000	385,872	470,124
Fundraising income	7	127,545	–	127,545	102,300
Investment income	8	2,455	–	2,455	3,368
Total income		<u>586,833</u>	<u>25,000</u>	<u>611,833</u>	<u>696,808</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	7,735	–	7,735	10,919
Expenditure on charitable activities	10,11	693,347	25,000	718,347	677,453
Other expenditure	12	14,262	–	14,262	3,399
Total expenditure		<u>715,344</u>	<u>25,000</u>	<u>740,344</u>	<u>691,771</u>
Net gains/losses on investments	14	(9,419)	–	(9,419)	(32,142)
Net (expenditure)/income and net movement in funds		<u>(119,092)</u>	<u>–</u>	<u>(119,092)</u>	<u>37,179</u>
Reconciliation of funds					
Total funds brought forward		541,319	–	541,319	504,140
Total funds carried forward		<u>422,227</u>	<u>–</u>	<u>422,227</u>	<u>541,319</u>

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

The notes on pages 17 to 27 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Financial Position

31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Investments	21	402,006	392,587
Current assets			
Debtors	22	18,340	19,128
Cash at bank and in hand		43,185	183,620
		<u>61,525</u>	<u>202,748</u>
Creditors: amounts falling due within one year	23	41,304	54,016
Net current assets		<u>20,221</u>	<u>148,732</u>
Total assets less current liabilities		<u>422,227</u>	<u>541,319</u>
Net assets		<u>422,227</u>	<u>541,319</u>
Funds of the charity			
Unrestricted funds		422,227	541,319
Total charity funds	26	<u>422,227</u>	<u>541,319</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Prof K C Mander
Trustee

Mr H J E Summerfield
Trustee

The notes on pages 17 to 27 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2025

	2025 £	2024 £
Cash flows from operating activities		
Net (expenditure)/income	(119,092)	37,179
<i>Adjustments for:</i>		
Net gains/losses on investments	(9,419)	(32,142)
Other interest receivable and similar income	(2,455)	(3,368)
Accrued (income)/expenses	(7,273)	5,930
<i>Changes in:</i>		
Trade and other debtors	788	(14,130)
Trade and other creditors	(5,439)	(16,454)
Cash generated from operations	(142,890)	(22,985)
Interest received	2,455	3,368
Net cash used in operating activities	(140,435)	(19,617)
Net decrease in cash and cash equivalents	(140,435)	(19,617)
Cash and cash equivalents at beginning of year	183,620	203,237
Cash and cash equivalents at end of year	43,185	183,620

The notes on pages 17 to 27 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2025

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 8 Orange Street, Canterbury, Kent, CT1 2JA, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

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.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Investment valuations:

Investment valuations are obtained by trustees from the investment managers, who utilise the closing quoted market price information available at the balance sheet date.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvement	-	Over the remaining term of the lease
Fixtures and fittings	-	25% straight line
Marketing & promotional equipment	-	33.33% and 20% straight line
Computer Equipment	-	25% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

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 transactions value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Donations				
Donations	89,464	89,464	115,484	115,484
Gift Aid	6,497	6,497	5,532	5,532
	<u>95,961</u>	<u>95,961</u>	<u>121,016</u>	<u>121,016</u>

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Box office/other events	348,862	–	348,862
Grants	12,010	25,000	37,010
	<u>360,872</u>	<u>25,000</u>	<u>385,872</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

6. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Box office/other events	436,524	–	436,524
Grants	7,500	26,100	33,600
	<u>444,024</u>	<u>26,100</u>	<u>470,124</u>

7. Fundraising income

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Fundraising	14,598	14,598	12,918	12,918
Sponsorship	88,100	88,100	65,600	65,600
Subscriptions	10,867	10,867	10,667	10,667
Advertising	8,980	8,980	8,115	8,115
Rental & other income	5,000	5,000	5,000	5,000
	<u>127,545</u>	<u>127,545</u>	<u>102,300</u>	<u>102,300</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Bank interest receivable	2,455	2,455	3,368	3,368

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Fundraising costs	7,735	7,735	10,919	10,919

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Promotion of the arts	687,668	25,000	712,668
Support costs	5,679	–	5,679
	<u>693,347</u>	<u>25,000</u>	<u>718,347</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Promotion of the arts	641,796	26,100	667,896
Support costs	9,557	–	9,557
	<u>651,353</u>	<u>26,100</u>	<u>677,453</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2025 £	Total fund 2024 £
Promotion of the arts	712,668	–	712,668	667,896
Governance costs	–	5,679	5,679	9,557
	<u>712,668</u>	<u>5,679</u>	<u>718,347</u>	<u>677,453</u>

12. Other expenditure

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Unrecoverable VAT	12,112	12,112	2,446	2,446
Bank and finance charges	2,150	2,150	953	953
	<u>14,262</u>	<u>14,262</u>	<u>3,399</u>	<u>3,399</u>

13. Taxation

The Canterbury Theatre and Festival trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within the categories covered by Chapter 3 Part 11 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.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

14. Net gains/losses on investments

	Unrestricted Funds	Total Funds 2025	Unrestricted Funds	Total Funds 2024
	£	£	£	£
Gains/(losses) on investments	<u>9,419</u>	<u>9,419</u>	<u>32,142</u>	<u>32,142</u>

15. Auditors remuneration

	2025	2024
	£	£
Fees payable for the audit of the financial statements	<u>7,250</u>	<u>7,000</u>

16. Multi-year grants

On 29th March 2023, the charity received a multi-year grant of £75,000 to be paid in three annual £25,000 instalments starting in April 2024. The first two £25,000 instalments have been paid and recognised but as there are performance conditions attached to the grant, the remaining £25,000 has not been recognised.

17. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025	2024
	£	£
Wages and salaries	232,139	241,776
Social security costs	13,640	17,425
Employer contributions to pension plans	<u>10,395</u>	<u>10,711</u>
	<u>256,174</u>	<u>269,912</u>

The average head count of employees during the year was 6 (2024: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2025	2024
	No.	No.
Administration	5	6
Marketing	<u>1</u>	<u>1</u>
	<u>6</u>	<u>7</u>

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

18. Trustee remuneration and expenses

The Trustees and certain other senior employees who have authority and responsibility for planning, directing and controlling the activities of the charity, are considered to be key management personnel. No Trustees received remuneration during the period (2024: £Nil) and the total salaries received by key management personnel during the year was £118,823 (2024: £133,278). In addition, employer pension contributions amount to £6,118 (2024: £7,155) and employer national insurance contributions amount to £13,364 (2024: £15,695).

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

19. Trustee indemnity insurance

During the year the Charity paid £636 (2024: £586) for Trustee Liability Insurance as part of a complete insurance policy to cover neglect of defaults of its Trustees and Officers.

20. Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Marketing & promotional equipment £	Computer equipment £	Total £
Cost					
At 1 April 2024 and 31 March 2025	<u>45,284</u>	<u>2,116</u>	<u>6,500</u>	<u>20,399</u>	<u>74,299</u>
Depreciation					
At 1 April 2024 and 31 March 2025	<u>45,284</u>	<u>2,116</u>	<u>6,500</u>	<u>20,399</u>	<u>74,299</u>
Carrying amount					
At 31 March 2025	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
At 31 March 2024	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

21. Investments

	Listed investments £
Cost or valuation	
At 1 April 2024	392,587
Additions	–
Fair value movements	<u>9,419</u>
At 31 March 2025	<u>402,006</u>
Impairment	
At 1 April 2024 and 31 March 2025	
Carrying amount	
At 31 March 2025	<u>402,006</u>
At 31 March 2024	<u>392,587</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Financial assets are measured at fair value on the date of the balance sheet.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

22. Debtors

	2025	2024
	£	£
Trade debtors	17,429	14,331
Prepayments and accrued income	–	956
Other debtors	911	3,841
	<u>18,340</u>	<u>19,128</u>

23. Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	3,825	5,213
Accruals and deferred income	27,429	35,835
Social security and other taxes	6,386	4,718
Other creditors	3,664	8,250
	<u>41,304</u>	<u>54,016</u>

24. Deferred income

	2025	2024
	£	£
At 1 April 2024	6,812	18,451
Amount released to income	(6,812)	(18,451)
Amount deferred in year	5,679	6,812
At 31 March 2025	<u>5,679</u>	<u>6,812</u>

25. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £10,395 (2024: £10,711).

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

26. Analysis of charitable funds

Unrestricted funds

	At 1 April 2024	Income	Expenditure	Gains and losses	At 31 March 2025
	£	£	£	£	£
General funds	538,319	586,833	(715,344)	9,419	419,227
Designated funds - Grants	3,000	—	—	—	3,000
	<u>541,319</u>	<u>586,833</u>	<u>(715,344)</u>	<u>9,419</u>	<u>422,227</u>

	At 1 April 2023	Income	Expenditure	Gains and losses	At 31 March 2024
	£	£	£	£	£
General funds	501,140	670,708	(665,671)	32,142	538,319
Designated funds - Grants	3,000	—	—	—	3,000
	<u>504,140</u>	<u>670,708</u>	<u>(665,671)</u>	<u>32,142</u>	<u>541,319</u>

Designated funds

Grants

The board has designated the grants that it had received for specific projects.

Restricted funds

	At 1 April 2024	Income	Expenditure	Gains and losses	At 31 March 2025
	£	£	£	£	£
Restricted funds	—	<u>25,000</u>	<u>(25,000)</u>	—	—

	At 1 April 2023	Income	Expenditure	Gains and losses	At 31 March 2024
	£	£	£	£	£
Restricted funds	—	<u>26,100</u>	<u>(26,100)</u>	—	—

Restricted funds

Restricted funds in respect of Kent Arts Investment and the Visual Evaluation of Made in Kent were received during 2017 and used for grants to artists. This has been transferred to unrestricted reserves during the prior year, as it was identified that the monies have been properly spent in accordance with the restriction.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

27. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2025 £
Investments	402,006	402,006
Current assets	61,525	61,525
Creditors less than 1 year	(41,304)	(41,304)
Net assets	<u>422,227</u>	<u>422,227</u>

	Unrestricted Funds £	Total Funds 2024 £
Investments	392,587	392,587
Current assets	202,748	202,748
Creditors less than 1 year	(54,016)	(54,016)
Net assets	<u>541,319</u>	<u>541,319</u>

28. Analysis of changes in net debt

	At 1 Apr 2024 £	Cash flows £	At 31 Mar 2025 £
Cash at bank and in hand	<u>183,620</u>	<u>(140,435)</u>	<u>43,185</u>

29. Related parties

- i) During the year, the trustees and related parties donated £2,458 (2024: £4,008) to the charity.
- ii) As noted in the Report of the Trustees, Canterbury Theatre and Festival Trust has a close relationship with Canterbury Festival Foundation. The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust. From the cumulative excess of income over expenditure the Foundation (Friends) made a donation totalling £30,000 (2024: £35,000) to the Canterbury Theatre and Festival Trust in order to support its charitable activities for the year to March 2025.
- iii) The registered office of the Canterbury Theatre and Festival Trust is 8 Orange Street, Canterbury, Kent, CT1 2JA. This building is owned by the Canterbury Festival Foundation, a charity set up in order to aid and support the Canterbury Theatre and Festival Trust in carrying out its charitable activities. No rent is charged for the occupation or use of the building.

30. Controlling party

The charity is a company limited by guarantee and was controlled throughout the year by the Trustees.

CANTERBURY THEATRE AND FESTIVAL TRUST

England & Wales - Charity number 279714

Accounts

COMPANY REGISTRATION NUMBER: 01480595
CHARITY REGISTRATION NUMBER: 279714

Canterbury Theatre and Festival Trust
Company Limited by Guarantee
Financial Statements
31 March 2024

BURGESS HODGSON LLP

Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2024

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Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 March 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2024.

Chair's report

The Board of the Canterbury Theatre and Festival Trust presents its report for year ending 31 March 2024, which includes the 2023 Festival.

The Canterbury Festival is an internationally respected annual two-week extravaganza of music, performance, talks, comedy, family events, science and more. The Festival showcases Canterbury as a diverse and dynamic centre of culture and welcomes both loyal and new audiences of all ages and backgrounds to be inspired and delighted in a celebration of creativity. Our Festival is amplified by a vibrant year-round programme, with creative opportunities, particularly for young people, performances, and events, all of which contribute towards making Canterbury an exciting place to live, work, learn and play.

I have often said that running an Arts organisation is like riding a bicycle - you have to keep moving otherwise you fall off. With smooth terrain, progress is easy, but sometimes the terrain becomes bumpy, and sometimes what appears to be smooth terrain turns out to be the organisational equivalent of a rain-filled pothole. It suffices to say that 2023-4 has been one of our bumpier years.

Much ran smoothly. We feel we have left the pandemic years behind, and audience numbers are increasing. We were able to increase our ticket sales, both through the traditional artistic programme, and through the special event produced by Luxmuralis.

In 2023, the Festival sold over 23,000 tickets across 119 individual ticketed events, as well as 65 time slots for Luxmuralis' Renaissance, an immersive sound and light installation in different areas of Canterbury Cathedral.

The varied 2023 programme also included performances by the Tallis Scholars, the Armonico Consort, Ruby Turner, Gabrielle, Rich Hall and Seth Lakeman.

The Festival hosted 51 walks, a range of "umbrella" events including art exhibitions independently organised within Festival dates, and a number of community events such as the Dementia Café and a Schools' Poetry Competition.

Following the substantial linked events programmed in 2020 (the complete Beethoven Piano Sonatas) and 2022 (the complete Shostakovich String Quartets), we programmed a linked series of Schubert piano music by Joanna MacGregor in 2023.

We were also able to sustain good levels of donations and sponsorship, and by keeping tight control of costs, we were able to increase the level of contribution that our trading activities made to support our core costs. A very small trading surplus was increased by improved levels of investment income to produce an overall surplus.

Once again, we acknowledge with gratitude the support of our Partner and Principal Sponsor for 2023 (Canterbury Christ Church University), our Headline Sponsors (Kent College, the University of Kent and Paul Roberts), other sponsors and supporters, who have sustained our ability to bring the best of the arts to Canterbury in a rich and diverse artistic programme that makes our audiences feel welcome, excited, challenged and wishing to return.

The Trustees are particularly appreciative of the enthusiastic commitment of those who continue to buy tickets for the Festival, and those who donate to keep the Festival alive. I should like to extend my thanks to the volunteers, including the Trustees themselves, that provide help and lively and professional support each year.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2024

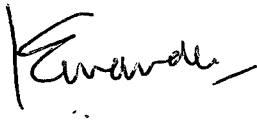
But turning to slightly bumpier terrain, the highest impacting risk on the Festival's risk register is that the Festival Director will resign. It had to happen at some point, and after 20 years in post, Rosie Turner retired after the 2023 Festival and was given a rousing sendoff that rightly recognised her very significant contribution to the Festival and to Canterbury over the last 20 years. After what we believed was a rigorous recruitment process, a new Director was appointed, but after a few weeks observing the operation of the 2023 Festival, he decided that he had to withdraw from the post and resigned with immediate effect.

Fortunately, Amanda McKean and the rest of the Team have risen to the challenge of delivering the 2024 Festival while a new appointment process takes place.

On behalf of the Trustees, I should like to place on record our continued appreciation for the energetic and creative leadership of the loyal and hard-working Team who delivered artistic excellence in 2023, and have stepped up to the challenges of 2024.

The Festival's goals will remain to move forward, to develop exciting new programmes of artistic excellence while achieving audience numbers to sustain the Festival's financial future and raise its national profile. This will allow the Festival to continue to contribute significantly to support Kent-based artists and reflect the very best of the City of Canterbury within which it currently operates in a year-round programme of other activities.

There will undoubtedly be changes in 2024-5, as we bring new staff into the Festival Team, new trustees onto the Board, and as our principal supporters face challenges of their own, but as the Festival moves into its 40th Anniversary year, the challenges are ones that the Festival embraces with enthusiasm and with sustained confidence in its long-term future.



Professor Keith Mander
Chairman

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2024

Reference and administrative details

Registered charity name	Canterbury Theatre and Festival Trust
Charity registration number	279714
Company registration number	01480595
Principal office and registered office	8 Orange Street Canterbury Kent CT1 2JA United Kingdom

The trustees

Mr H D H G Barton (resigned June 2023)
Professor A Borthwick
Mr C Carmichael
Mr P A Hermitage
Mr A T Ironside
Professor D R Lloyd
Prof K C Mander
Dr K E Neales
Air Marshall C M Nickols
Mrs H Riva
Mr H J E Summerfield
Mrs C Swire
Mr T Walder

Auditor	Burgess Hodgson LLP Chartered accountants & statutory auditor Camburgh House 27 New Dover Road Canterbury Kent CT1 3DN
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Bankers	National Westminster Bank plc 11 The Parade Canterbury Kent CT1 2SQ
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Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2024

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new Trustees

As set out in the Articles of Association, the Trustees retire by rotation one third each year but shall be eligible for re-election. The Articles allow for the board to appoint Trustees during the year, such Trustees shall retain their office only until the next AGM but shall then be eligible for re-election. When considering co-opting a Trustee (new appointment), the Board has regard to the requirements of any specialist skills needed and in order to provide necessary academic, professional and commercial knowledge required with respect to a charitable arts company.

Induction and training new Trustees

New Trustees are offered training to brief them on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and current financial performance of the charity. From time to time trustees are encouraged to attend appropriate external training events, where these will facilitate the understanding of their role.

Organisational structure

The charity is governed by the Board of Trustees, which meets at least five times a year and is responsible for making strategic and governance decisions regarding the Trust. There are sub-committees covering sponsorship and finance and secondly strategy and planning. These sub-committees are assisted by the charity's staff members. The Festival Director has delegated authority, within terms approved by the Trustees, for operational matters including finance, employment and artistic performance related activity. At each board meeting, detailed written reports are submitted by the officers and sub-committees for open discussion.

Related parties

The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust (the charity). The aim of the organisation is to raise endowment funds which can be invested, and income used for the benefit of Canterbury Theatre and Festival Trust. The Canterbury Theatre and Festival Trust has the power to appoint a minimum of 60% the Trustees to the Canterbury Festival Foundation. In 2023/24, the Foundation donated £10,000 (2022/23: £20,000) to the charity.

The Friends of Canterbury Festival is an organisation incorporated as from June 2004 within the Canterbury Festival Foundation which raises funds for Canterbury Theatre and Festival Trust. In 2023, the Friends donated a total of £25,000 (2022/23: £25,000) to the charity.

Each year the Canterbury Festival Foundation offers a Bursary to a young musician which is presented at a concert held during the Canterbury Festival. The costs with respect to individual grant making are borne by the charity, on behalf of the Foundation. The work is carried out on an in-kind basis by employees of the charity as part of their normal duties and the cost of staging the concert is met by the charity as part of its general expenditure on production.

Risk management

The charity's risk management strategy includes:

1. A bi-annual review of the risks the charity may face.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2024

2. The establishment of systems and procedures to mitigate those risks identified in the delivery of the Festival's Strategic Plan 2021-2024 created in 2020 for the period to 2024.

3. The implementation of procedures designed to minimise any potential impact on the charity, should these risks materialise.

The charity maintains a Risk Register which identifies the principal risks as non-financial issues arising from artistic excellence, competition and public perception, together with management of the specific risks concerning the loss of core income or failure to reach fundraising targets. The Trustees are satisfied that adequate steps are taken to mitigate these risks and others identified within the Risk Register.

A further key element in the management of financial risk is the setting of a reserve policy and its regular review by Trustees.

Reserve policy

The Trustees recognised the potential longer term effects of Covid on arts based charities and consequently undertook a strategic review in January 2021. This helped inform the development of a three year operational plan and budgets designed to bring the organisation into a financial break-even position by March 2024. A full risk assessment of the Festival's principal income and expenditure streams has now been undertaken. This has resulted in the development of a revised reserves policy.

The Policy

As a result of careful stewardship of its resources, Canterbury Festival has built a cash reserve of approximately £550k. This is held in its bank accounts as well as a medium-risk portfolio investment with Rathbones. In line with Charity Commission guidelines, the Festival has completed a full risk assessment of its three year financial projections and has determined that its reserves should be applied as follows:

1) The Festival's financial objectives require the organisation to maintain a free cash reserve equivalent to approximately six months of its core operating costs - £150k. 2) The Festival recognises the risks associated with future ticket sales and has determined to maintain a designated reserve of £40k to cover any shortfall in ticket income. 3) The Festival continues to be heavily reliant on fundraising, sponsorship and grant support. The full impact of the current economic environment on its supporters is unknown, however it is considered appropriate to designate up to £160k against any shortfall. 4) The new strategic plan recognises the importance of investment in order to ensure the Festival has the necessary technological and other infrastructure to support its future development and operation. Consequently, a maximum of £200k is being designated to reset the charity over the next three years.

By following this policy, Canterbury Festival will ensure that all its resources are applied to support the delivery of its charitable objectives.

Investment policy and objectives

Under the Memorandum and Articles of Association the charity has the power to invest in any way the Trustees feel appropriate.

In the year 2015, the Trustees invested £300,000 of the unrestricted reserve with Rathbone's Investments. The Trustees have set an ethical approach to the Festival's investment portfolio. It does not wish to:

- Invest directly in companies the major part of whose business is pornography, gambling, tobacco, pay day loans or armaments.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2024

- Invest in pooled investments funds where there is significant exposure to companies the major part of whose business is pornography, gambling, tobacco, pay day loans or armaments.

Objectives and activities

The principal objects of the charity as stated in the Memorandum of Association is to promote, maintain, improve and advance the education of the public in the arts, including the arts of drama, mime, dance, singing, opera and music, ballet, cinema, concert, stage performances and the visual arts generally. The charity promotes the arts in East Kent and in particular organises and runs the Canterbury Festival.

Strategies employed to achieve the charity's objectives are:

1. To engage national and international performing artists covering the range of activities noted as specified in the Articles of Association.
2. Supporting Kent-based artists and performers by promoting their activities.
3. To engage, promote and further develop an educational and outreach programme.
4. Fostering a greater sense of ownership of the Festival in the region through partnerships.
5. Additional creative projects to further develop arts in East Kent.
6. To play a strategically important year-round role supporting and developing the arts in the region.
7. To seek future funding and good financial controls to ensure the sustainability of the Festival.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

Charitable activities

The Trustees believe the trust activities, including the 2023 Festival, have met the charity's objectives in full.

Public benefit

The Trustees confirm that they have complied with the duties set out in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives of the Charity.

Who used and benefited from our services

There were 119 ticketed Festival events and a further 65 ticketed "Renaissance" slots in the 2023 Festival. In total, 23,060 tickets were sold, of which 11,200 were for "Renaissance." Ticket sales for Festival events were broadly on par with the previous year, with many events completely sold out. "Renaissance" sales were spread over 5 nights and averaged 71% of capacity.

As ever, our volunteers were great Festival ambassadors and they, together with performers and walk-leaders all contributed to the Festival's exciting atmosphere and well-managed range of events offered to audiences.

We also offered a range of free events, benefitting members of the community who might not otherwise engage with the Festival.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2024

During the year, Festival Public Engagement provided the following outreach opportunities to schools, universities and community groups (mostly free of charge).

Schools' Poetry Competition: Total poems entered: 405. 28 x young poets presented their shortlisted poems, representing 16x Kent schools at the Showcase event. Total Showcase attendance: 221.

Open House: A collaborative learning project with Catching Lives Homelessness Charity. Worked with 50+ homeless clients.

Young Musicians' Bursary Final: 10x young musicians from 10x Kent Schools performed in the Final. Total attendance: 134 (tickets sold 109/comps 25).

Beautiful Noise - a community music celebration: Total of 23 x performances/540 x participants aged from 8 to 80 yrs old. Approximate audience attendance total: 1450+.

UpStart Comedy Workshop & Showcase: New creative learning initiative for Students 18+ yrs old. Participating Students from University of Kent & CCCU: 21. Showcase attendance: 50 (max attendance for venue).

Open Clay - building bridges together: Collaboration with national creative learning company Clayground Collective working with ceramics students from Canterbury College, including Master Classes (attended by 22+ students) and a large-scale public art project in the city. Approximate Total Participants: 1400+ (an additional 300+ observing). Unused clay was donated to Canterbury College, local arts charity 'Expression Arts' and St Peter's Methodist Primary School.

Schools' Lunchtime Concerts: Total Student Participants: 150 students. Total general public attendance: 410 (Attendance greatly affected by Storm Ciarán.)

Beautiful Noise Orchestra: Launch of our new annual youth music project. Total young musician participants: 44. Free Primary school performance attendance: 204. Evening public performance attendance: 107 tickets sold + 25 comps

Fundraising activities

A total of £210,201 (2023: £234,093) excluding box office and programme receipts was raised from Vice Presidents' donations and subscriptions, Gift Aid, general donation, corporate membership, special fundraising and sponsorship. A total of £33,600 (2023: £26,591) was raised from grants during the period.

Financial review

The statement of financial activity reflects the Festival's aspirations to become a year-round arts promoting organisation and develop its position as the major promoter of international work within East Kent.

The financial results for the period were satisfactory. The unrestricted Funds before accounting for transfers shows a surplus of £37,179.

Gross income was £696,808 (2023: £622,685).

Total resources expended in the year were £691,771, compared with £632,679 in the prior year.

There were unrealised gains on investments of £32,142 (2022/23: unrealised losses of £17,779). There was no realisation of any of these gains during the year.

The total reserves, comprising Restricted and Unrestricted Funds, carried forward at the end of the year were £541,319, compared with £504,140 in the prior period.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2024

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

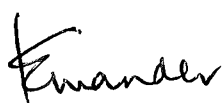
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies 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.

Auditor


Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 19/6/24 and signed on behalf of the board of trustees by:



Prof K C Mander
Trustee



Mr H J E Summerfield
Trustee

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust

Year ended 31 March 2024

Opinion

We have audited the financial statements of Canterbury Theatre and Festival Trust (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2024

material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2024

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment.

We also consider the results of our enquiries of management, relating to their own identification and assessment of the risks of irregularities and possible related fraud. This includes reviewing available documentation on their policies and procedures and performing tests of controls to evidence their effectiveness.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit.

Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*


Year ended 31 March 2024

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor'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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Collyer (Senior Statutory Auditor)

For and on behalf of
Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

19/06/24

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2024

		2024		2023	
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	71,016	–	71,016	82,975
Charitable activities	6	444,024	26,100	470,124	375,701
Fundraising income	7	152,300	–	152,300	162,988
Investment income	8	3,368	–	3,368	1,021
Total income		<u>670,708</u>	<u>26,100</u>	<u>696,808</u>	<u>622,685</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	10,919	–	10,919	6,603
Expenditure on charitable activities	10,11	651,353	26,100	677,453	619,716
Other expenditure	12	3,399	–	3,399	6,360
Total expenditure		<u>665,671</u>	<u>26,100</u>	<u>691,771</u>	<u>632,679</u>
Net (gains)/losses on investments	14	(32,142)	–	(32,142)	17,779
Net income/(expenditure) and net movement in funds		<u>37,179</u>	<u>–</u>	<u>37,179</u>	<u>(27,773)</u>
Reconciliation of funds					
Total funds brought forward		504,140	–	504,140	531,913
Total funds carried forward		<u>541,319</u>	<u>–</u>	<u>541,319</u>	<u>504,140</u>

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

The notes on pages 16 to 26 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

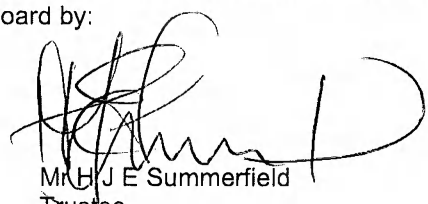
Statement of Financial Position

31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Investments	21	392,587	360,445
Current assets			
Debtors	22	19,128	4,998
Cash at bank and in hand		183,620	203,237
		<u>202,748</u>	<u>208,235</u>
Creditors: amounts falling due within one year	23	54,016	64,540
Net current assets		<u>148,732</u>	<u>143,695</u>
Total assets less current liabilities		<u>541,319</u>	<u>504,140</u>
Net assets		<u>541,319</u>	<u>504,140</u>
Funds of the charity			
Unrestricted funds		<u>541,319</u>	<u>504,140</u>
Total charity funds	26	<u>541,319</u>	<u>504,140</u>

These financial statements were approved by the board of trustees and authorised for issue on 19/6/24, and are signed on behalf of the board by:


Prof K C Mander
Trustee


Mr H J E Summerfield
Trustee

The notes on pages 16 to 26 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income/(expenditure)	37,179	(27,773)
<i>Adjustments for:</i>		
Net (gains)/losses on investments	(32,142)	17,779
Other interest receivable and similar income	(3,368)	(1,021)
Accrued expenses	5,930	4,810
<i>Changes in:</i>		
Trade and other debtors	(14,130)	9,638
Trade and other creditors	(16,454)	8,449
Cash generated from operations	(22,985)	11,882
Interest received	3,368	1,021
Net cash (used in)/from operating activities	<u>(19,617)</u>	<u>12,903</u>
Net (decrease)/increase in cash and cash equivalents	(19,617)	12,903
Cash and cash equivalents at beginning of year	203,237	190,334
Cash and cash equivalents at end of year	<u>183,620</u>	<u>203,237</u>

The notes on pages 16 to 26 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 8 Orange Street, Canterbury, Kent, CT1 2JA, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

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.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Investment valuations:

Investment valuations are obtained by trustees from the investment managers, who utilise the closing quoted market price information available at the balance sheet date.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvement	-	Over the remaining term of the lease
Fixtures and fittings	-	25% straight line
Marketing & promotional equipment	-	33.33% and 20% straight line
Computer Equipment	-	25% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

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 transactions value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The company is a company limited by guarantee. The members of the company are the Trustees named on page 3. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Donations				
Donations	65,484	65,484	76,726	76,726
Gift Aid	5,532	5,532	6,249	6,249
	<u>71,016</u>	<u>71,016</u>	<u>82,975</u>	<u>82,975</u>

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Box office/other events	436,524	–	436,524
Grants	7,500	26,100	33,600
	<u>444,024</u>	<u>26,100</u>	<u>470,124</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

6. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Box office/other events	349,110	–	349,110
Grants	26,591	–	26,591
	<u>375,701</u>	<u>–</u>	<u>375,701</u>

7. Fundraising income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Fundraising	12,918	12,918	22,468	22,468
Sponsorship	115,600	115,600	119,450	119,450
Subscriptions	10,667	10,667	9,200	9,200
Advertising	8,115	8,115	6,870	6,870
Rental & other income	5,000	5,000	5,000	5,000
	<u>152,300</u>	<u>152,300</u>	<u>162,988</u>	<u>162,988</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Bank interest receivable	3,368	3,368	1,021	1,021
	<u>3,368</u>	<u>3,368</u>	<u>1,021</u>	<u>1,021</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Fundraising costs	10,919	10,919	6,603	6,603
	<u>10,919</u>	<u>10,919</u>	<u>6,603</u>	<u>6,603</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Promotion of the arts	641,796	26,100	667,896
Support costs	9,557	–	9,557
	<u>651,353</u>	<u>26,100</u>	<u>677,453</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Promotion of the arts	612,470	–	612,470
Support costs	7,246	–	7,246
	<u>619,716</u>	<u>–</u>	<u>619,716</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Promotion of the arts	667,896	–	667,896	612,470
Governance costs	–	9,557	9,557	7,246
	<u>667,896</u>	<u>9,557</u>	<u>677,453</u>	<u>619,716</u>

12. Other expenditure

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Unrecoverable VAT	2,446	2,446	3,667	3,667
Bank and finance charges	953	953	2,693	2,693
	<u>3,399</u>	<u>3,399</u>	<u>6,360</u>	<u>6,360</u>

13. Taxation

The Canterbury Theatre and Festival trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within the categories covered by Chapter 3 Part 11 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.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

14. Net gains/losses on investments

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023
	£	£	£	£
Gains/(losses) on investments	<u>32,142</u>	<u>32,142</u>	<u>(17,779)</u>	<u>(17,779)</u>

15. Auditors remuneration

	2024	2023
	£	£
Fees payable for the audit of the financial statements	<u>7,000</u>	<u>5,600</u>

16. Multi-year grants

On 29th March 2023, the charity received a multi-year grant of £75,000 to be paid in three annual £25,000 instalments starting in April 2024. The first £25,000 has been paid and recognised in this year but as there are performance conditions attached to the grant, the remaining £50,000 has not been recognised.

17. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	241,776	236,265
Social security costs	17,425	20,287
Employer contributions to pension plans	<u>10,711</u>	<u>10,590</u>
	<u>269,912</u>	<u>267,142</u>

The average head count of employees during the year was 7 (2023: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2024	2023
	No.	No.
Administration	6	6
Marketing	<u>1</u>	<u>1</u>
	<u>7</u>	<u>7</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2024	2023
	No.	No.
£60,000 to £69,999	—	<u>1</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

18. Trustee remuneration and expenses

The Trustees and certain other senior employees who have authority and responsibility for planning, directing and controlling the activities of the charity, are considered to be key management personnel. No Trustees received remuneration during the period (2023: £Nil) and the total salaries received by key management personnel during the year was £133,278 (2023: £141,022). In addition, employer pension contributions amount to £15,695 (2023: £6,932) and employer national insurance contributions amount to £7,155 (2023: £15,695).

19. Trustee indemnity insurance

During the year the Charity paid £586 (2023: £586) for Trustee Liability Insurance as part of a complete insurance policy to cover neglect of defaults of its Trustees and Officers.

20. Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Marketing & promotional equipment £	Computer equipment £	Total £
Cost					
At 1 April 2023 and 31 March 2024	<u>45,284</u>	<u>2,116</u>	<u>6,500</u>	<u>20,399</u>	<u>74,299</u>
Depreciation					
At 1 April 2023 and 31 March 2024	<u>45,284</u>	<u>2,116</u>	<u>6,500</u>	<u>20,399</u>	<u>74,299</u>
Carrying amount					
At 31 March 2024	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
At 31 March 2023	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

21. Investments

	Listed investments £
Cost or valuation	
At 1 April 2023	360,445
Additions	—
Fair value movements	<u>32,142</u>
At 31 March 2024	<u>392,587</u>
Impairment	
At 1 April 2023 and 31 March 2024	—
Carrying amount	
At 31 March 2024	<u>392,587</u>
At 31 March 2023	<u>360,445</u>

All investments shown above are held at valuation.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

21. Investments *(continued)*

Financial assets held at fair value

Financial assets are measured at fair value on the date of the balance sheet.

22. Debtors

	2024	2023
	£	£
Trade debtors	14,331	269
Prepayments and accrued income	956	–
Other debtors	3,841	4,729
	<u>19,128</u>	<u>4,998</u>

23. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	5,213	2,743
Accruals and deferred income	35,835	41,544
Social security and other taxes	4,718	5,931
Other creditors	8,250	14,322
	<u>54,016</u>	<u>64,540</u>

24. Deferred income

	2024	2023
	£	£
At 1 April 2023	18,451	4,557
Amount released to income	(18,451)	(4,557)
Amount deferred in year	6,812	18,451
At 31 March 2024	<u>6,812</u>	<u>18,451</u>

25. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £10,711 (2023: £10,590).

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

26. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2024 £
General funds	501,140	670,708	(665,671)	–	32,142	538,319
Designated funds - Grants	3,000	–	–	–	–	3,000
	<u>504,140</u>	<u>670,708</u>	<u>(665,671)</u>	<u>–</u>	<u>32,142</u>	<u>541,319</u>

	At 1 Apr 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2023 £
General funds	526,483	622,685	(632,679)	2,430	(17,779)	501,140
Designated funds - Grants	3,000	–	–	–	–	3,000
	<u>529,483</u>	<u>622,685</u>	<u>(632,679)</u>	<u>2,430</u>	<u>(17,779)</u>	<u>504,140</u>

Designated funds

Grants

The board has designated the grants that it had received for specific projects.

Restricted funds

	At 1 Apr 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2024 £
Restricted funds	–	26,100	(26,100)	–	–	–

	At 1 Apr 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2023 £
Restricted funds	2,430	–	–	(2,430)	–	–

Restricted funds

Restricted funds in respect of Kent Arts Investment and the Visual Evaluation of Made in Kent were received during 2017 and used for grants to artists. This has been transferred to unrestricted reserves during the prior year, as it was identified that the monies have been properly spent in accordance with the restriction.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

27. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2024 £
Investments	392,587	392,587
Current assets	202,748	202,748
Creditors less than 1 year	(54,016)	(54,016)
Net assets	541,319	541,319

	Unrestricted Funds £	Total Funds 2023 £
Investments	360,445	360,445
Current assets	208,235	208,235
Creditors less than 1 year	(64,540)	(64,540)
Net assets	504,140	504,140

28. Analysis of changes in net debt

	At 1 Apr 2023 £	Cash flows £	At 31 Mar 2024 £
Cash at bank and in hand	203,237	(19,617)	183,620

29. Related parties

i) During the year, the trustees and related parties donated £4,008 (2023: £3,125) to the charity.

ii) As noted in the Report of the Trustees, Canterbury Theatre and Festival Trust has a close relationship with Canterbury Festival Foundation. The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust. From the cumulative excess of income over expenditure the Foundation made a donation totalling £35,000 (2022/23: £45,000) to the Canterbury Theatre and Festival Trust in order to support its charitable activities for the year to March 2024.

iii) The registered office of the Canterbury Theatre and Festival Trust is 8 Orange Street, Canterbury, Kent, CT1 2JA. This building is owned by the Canterbury Festival Foundation, a charity set up in order to aid and support the Canterbury Theatre and Festival Trust in carrying out its charitable activities. No rent is charged for the occupation or use of the building.

30. Controlling party

The charity is a company limited by guarantee and was controlled throughout the year by the Trustees.

CANTERBURY THEATRE AND FESTIVAL TRUST

England & Wales - Charity number 279714

Accounts

COMPANY REGISTRATION NUMBER: 01480595
CHARITY REGISTRATION NUMBER: 279714

Canterbury Theatre and Festival Trust
Company Limited by Guarantee
Financial Statements
31 March 2023

BURGESS HODGSON LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Canterbury
Canterbury Theatre and Festival Trust
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2023

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Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

Chair's report

The Board of the Canterbury Theatre and Festival Trust presents its report for year ending 31 March 2023, which includes the 2022 Festival.

I think it was about five years ago that we first said that it was an unusual year for the Festival, and that we needed to align our strategic, artistic and financial objectives into a more coherent three-year plan. While we did this, each subsequent year has been "unusual" in some different and unusual way. As usual, this year has also been unusual, rather like (to use a musical analogy) a theme and variations.

The theme has been to align our strategic, artistic and financial objectives into a coherent three-year plan that attempts to deliver our mission (to produce an annual two-week arts festival of international standing that both delights our loyal audiences and attracts new audiences; to work throughout the year to provide creative opportunities, particularly for young people; and to commission and produce performances and events) within a financial framework that makes these endeavours financially sustainable. I believe we can say, with some quiet satisfaction, that we have done this, but there have been variations.

The variations have been a global pandemic which directly affected the 2020 and 2021 Festivals, but which also seems to have left a legacy in 2022 and 2023 in that the pipeline that has produced new work that the Festival can showcase has been disrupted. More recently, and affecting 2022 and 2023, a range of global events have conspired to produce a cost-of-living crisis which will drive up the Festival's costs while lowering incomes that our audiences choose to dispose on Festival events. Finally, after 20 years, Festival Director Rosie Turner has announced that the 2023 Festival will be her last as Artistic Director.

The theme and variations frame our report for 2023.

The 2022 Festival turned out to be a slightly extended affair. With the two-week Festival scheduled for the last two weeks of October, we began in September with the Globe Theatre's challenging production of Julius Caesar, followed by "An Audience with Dame Joanna Lumley and Stephen Barlow". We then strayed into November when Luxmuralis presented "Shine" - a spectacular light and sound show, presented to highlight the architectural features of the majestic Canterbury Cathedral. If the audiences felt themselves on familiar ground with Shakespeare and Joanna Lumley, Luxmuralis proved more of a surprise to some. We sold nearly 12,000 tickets over three nights, mostly to people who had not attended a Festival event before, and very many of whom had not visited Canterbury Cathedral before - delighting loyal audiences and attracting new ones.

The Festival in between these bookending events was typically eclectic, starting with "Elizabeth, our Queen" in which the Ora Singers presented a programme designed to celebrate the Platinum Jubilee of Queen Elizabeth II, but which became a wonderful tribute to her life. This was followed by the London Community Gospel Choir, the London Handel Players (with dancers) and the Canterbury Choral Society. We celebrated the life of Aphra Behn (Britain's first published female playwright and poet), the physical theatre of Bromance, and Tom Crean (Antarctic Explorer); talks profiled Tutankhamun, Josiah Wedgwood, Jewellery, Clay, Death by Shakespeare, and How to Solve a Crime. Following the success of linked concerts in 2020 when Joanna MacGregor played all 32 piano sonatas by Beethoven, the Carducci Quartet brought us the 15 String Quartets of Shostakovich in sequence - a journey that took us from the naive and bright mood of number 1, through increasingly dark quartets to number 15, in which Shostakovich asked the members of the quartet to play the opening movement "so that flies drop dead in mid-air and the audience start leaving the hall from sheer boredom". Not something that usually happens at a Festival event, but a memorable, albeit slightly masochistic, experience nevertheless.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

2022 also saw the restarting of our Public Engagement activity, year-round activity to ignite the spark of passion for the arts, particularly for groups who may find it harder to engage with the more structured two-week Festival. Projects include: projects in collaboration with Catching Lives exploring themes of refuge, shelter, safety, retreat and home; schools' poetry workshops; and a book-making project in collaboration with the East Kent Forget-Me-Nots offered to those living with dementia to express their experiences both visually and through text. Many outputs from these projects feature as free events within the two-week programme.

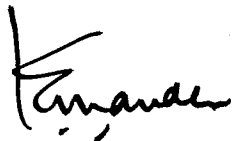
The highest impacting risk on the Festival's risk register is that the Festival Director will resign. It had to happen at some point, and following the 2022 Festival, and after 20 glorious years, Rosie Turner announced that she would be retiring after the 2023 Festival. The search for a new Festival Director began. After many hours of conversation, drafting of advertisements, reading applications, and interviews, we are delighted that Alasdair Nicholson has agreed to become our new Director, starting with the 2024 Festival. Alasdair has had a rich career as a composer, conductor, producer, teacher, educationalist and Festival Director (notably in Bath and in Orkney), and we look forward to his bringing his considerable energy and experience to Canterbury.

Once again, we acknowledge with gratitude the support of our Partner and Principal Sponsor (Canterbury Christ Church University), our Headline Sponsors (Kent College, and Paul Roberts), other local sponsors, donors and audiences, who have sustained our ability, even in these unusual times, to bring the best of the arts to Canterbury in a rich and diverse artistic programme that makes our audiences feel welcome, excited, challenged and wanting to return.

On behalf of the Trustees, I should like to place on record our continued appreciation for the energetic and creative leadership of Rosie Turner, the Festival Director, and her loyal and hard-working staff team who have once again delivered artistic excellence in unusual times, enhancing the Festival's 'can-do' reputation in doing so.

The Trustees are particularly appreciative of the enthusiastic commitment of those who continue to buy tickets for the Festival, and those who donate to keep the Festival alive. I should like to extend my thanks to the volunteers, including the Trustees themselves, that provide help and lively and professional support each year. This has been particularly important this year as we have sought new artistic leadership for the Festival.

The Festival's goals, even under new leadership, will remain to move forward, to develop exciting new programmes of artistic excellence in its international Festival while achieving audience numbers to sustain the Festival's financial future and raise its national profile. This will allow it to continue to contribute significantly to support Kent-based artists and reflect the very best of the City of Canterbury within which it currently operates in a year-round programme of other public engagement activities. It is a challenge that the Festival embraces with enthusiasm and with sustained confidence in its long-term future.



Professor Keith Mander
Chairman

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Reference and administrative details

Registered charity name Canterbury Theatre and Festival Trust
Charity registration number 279714
Company registration number 01480595
Principal office and registered office 8 Orange Street
Canterbury
Kent
CT1 2JA
United Kingdom

The trustees

Mr H D H G Barton
Professor A Borthwick
Mr C Carmichael
Mr P A Hermitage
Mr A T Ironside
Professor D R Lloyd
Prof K C Mander
Dr K E Neales
Air Marshall C M Nickols
Mrs H Riva
Mr H J E Summerfield
Mrs C Swire
Mr T Walder

Auditor Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Bankers National Westminster Bank plc
11 The Parade
Canterbury
Kent
CT1 2SQ

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new Trustees

As set out in the Articles of Association, the Trustees retire by rotation one third each year but shall be eligible for re-election. The Articles allow for the board to appoint Trustees during the year, such Trustees shall retain their office only until the next AGM but shall then be eligible for re-election. When considering co-opting a Trustee (new appointment), the Board has regard to the requirements of any specialist skills needed and in order to provide necessary academic, professional and commercial knowledge required with respect to a charitable arts company.

Induction and training new Trustees

New Trustees are offered training to brief them on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and current financial performance of the charity. From time to time trustees are encouraged to attend appropriate external training events, where these will facilitate the understanding of their role.

Organisational structure

The charity is governed by the Board of Trustees, which meets at least five times a year and is responsible for making strategic and governance decisions regarding the Trust. There are sub-committees covering sponsorship and finance and secondly strategy and planning. These sub-committees are assisted by the charity's staff members. The Festival Director has delegated authority, within terms approved by the Trustees, for operational matters including finance, employment and artistic performance related activity. At each board meeting, detailed written reports are submitted by the officers and sub-committees for open discussion.

Related parties

The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust (the charity). The aim of the organisation is to raise endowment funds which can be invested, and income used for the benefit of Canterbury Theatre and Festival Trust. The Canterbury Theatre and Festival Trust has the power to appoint a minimum of 60% the Trustees to the Canterbury Festival Foundation. In 2023, the Foundation donated £20,000 (2021/22: £20,000) to the charity.

The Friends of Canterbury Festival is an organisation incorporated as from June 2004 within the Canterbury Festival Foundation which raises funds for Canterbury Theatre and Festival Trust. In 2023, the Friends donated a total of £25,000 (2021/22: £25,000) to the charity.

Each year the Canterbury Festival Foundation offers a Bursary to a young musician which is presented at a concert held during the Canterbury Festival. The costs with respect to individual grant making are borne by the charity, on behalf of the Foundation. The work is carried out on an in-kind basis by employees of the charity as part of their normal duties and the cost of staging the concert is met by the charity as part of its general expenditure on production.

Risk management

The charity's risk management strategy includes:

1. A bi-annual review of the risks the charity may face.
2. The establishment of systems and procedures to mitigate those risks identified in the delivery of the Festival's Strategic Plan 2021-2024 created in 2020 for the period to 2024.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

3. The implementation of procedures designed to minimise any potential impact on the charity, should these risks materialise.

The charity maintains a Risk Register which identifies the principal risks as non-financial issues arising from artistic excellence, competition and public perception, together with management of the specific risks concerning the loss of core income or failure to reach fundraising targets. The Trustees are satisfied that adequate steps are taken to mitigate these risks and others identified within the Risk Register.

A further key element in the management of financial risk is the setting of a reserve policy and its regular review by Trustees.

Reserve policy

The Trustees recognised the potential longer term effects of Covid on arts based charities and consequently undertook a strategic review in January 2021. This helped inform the development of a three year operational plan and budgets designed to bring the organisation into a financial break-even position by March 2024. A full risk assessment of the Festival's principal income and expenditure streams has now been undertaken. This has resulted in the development of a revised reserves policy.

The Policy

As a result of careful stewardship of its resources, Canterbury Festival has built a cash reserve of approximately £550k. This is held in its bank accounts as well as a medium-risk portfolio investment with Rathbones. In line with Charity Commission guidelines, the Festival has completed a full risk assessment of its three year financial projections and has determined that its reserves should be applied as follows:

- 1) The Festival's financial objectives require the organisation to maintain a free cash reserve equivalent to approximately six months of its core operating costs - £150k.
- 2) The Festival recognises the risks associated with future ticket sales and has determined to maintain a designated reserve of £40k to cover any shortfall in ticket income.
- 3) The Festival continues to be heavily reliant on fundraising, sponsorship and grant support. The full impact of the pandemic on its supporters is unknown, however it is considered appropriate to designate up to £160k against any shortfall.
- 4) The new strategic plan recognises the importance of investment in order to ensure the Festival has the necessary technological and other infrastructure to support its future development and operation. Consequently, a maximum of £200k is being designated to reset the charity over the next three years.

By following this policy, Canterbury Festival will ensure that all its resources are applied to support the delivery of its charitable objectives.

Investment policy and objectives

Under the Memorandum and Articles of Association the charity has the power to invest in any way the Trustees feel appropriate.

The Trustees have invested £300,000 of the Unrestricted reserve with Rathbone's Investments. The Trustees have set an ethical approach to the Festival's investment portfolio. It does not wish to:

- Invest directly in companies the major part of whose business is pornography, gambling, tobacco, pay day loans or armaments.
- Invest in pooled investments funds where there is significant exposure to companies the major part of whose business is pornography, gambling, tobacco, pay day loans or armaments.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Objectives and activities

The principal objects of the charity as stated in the Memorandum of Association is to promote, maintain, improve and advance the education of the public in the arts, including the arts of drama, mime, dance, singing, opera and music, ballet, cinema, concert, stage performances and the visual arts generally. The charity promotes the arts in East Kent and in particular organises and runs the Canterbury Festival.

Strategies employed to achieve the charity's objectives are:

1. To engage national and international performing artists covering the range of activities noted as specified in the Articles of Association.
2. Supporting Kent-based artists and performers by promoting their activities.
3. To engage, promote and further develop an educational and outreach programme.
4. Fostering a greater sense of ownership of the Festival in the region through partnerships.
5. Additional creative projects to further develop arts in East Kent.
6. To play a strategically important year-round role supporting and developing the arts in the region.
7. To seek future funding and good financial controls to ensure the sustainability of the Festival.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

Charitable activities

The Trustees believe the trust activities, including the 2022 Festival, have met the charity's objectives in full.

Public benefit

The Trustees confirm that they have complied with the duties set out in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives of the Charity.

Who used and benefited from our services

There were 122 ticketed festival events and a further 39 ticketed "Shine" admission slots in the 2022 festival; in total 22,699 tickets were sold, of which 11,376 were for "Shine".

The 11,323 tickets that were sold for festival performances is an 8% increase on 2021, with most events enjoyed by a large audience. "Shine" completely sold out and attracted many positive comments. New bookers (for Shine) accounted for approximately 80% of Shine sales and introduced many first time visitors to Canterbury Cathedral.

As ever, our volunteers were great festival ambassadors and they, together with performers and walk-leaders all contributed to the festival's exciting atmosphere and well-managed range of events offered to audiences.

We also offered a range of free events, benefitting members of the community who might not otherwise engage with the festival.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

School children were given the opportunity to perform in a professional venue in a series of lunchtime concerts, and our Beautiful Noise day gave 22 community groups, schools and choirs performance opportunities throughout the city.

500 school children were given tickets to see the Shakespeare's Globe performance of Julius Caesar, and we donated part of the proceeds from our opening fund-raiser event to the local "Catching Lives" homeless charity.

Fundraising activities

A total of £234,093 (2021/22: £217,027) excluding box office and programme receipts was raised from Vice Presidents' donations and subscriptions, Gift Aid, general donation, corporate membership, special fundraising and sponsorship. A total of £26,591 (2021/22: £33,214) was raised from grants during the period.

Financial review

The statement of financial activity reflects the Festival's aspirations to become a year-round arts promoting organisation and develop its position as the major promoter of international work within East Kent.

The financial results for the period were satisfactory. The unrestricted Funds before accounting for transfers shows a deficit of £27,773.

Gross income was £622,685 (2021/22: £440,211).

Total resources expended in the year were £632,679, compared with £485,413 in the prior year.

There were unrealised losses on investments of £17,779 (2021/22: unrealised gain of £14,047). There was no realisation of any of these gains during the year.

The total reserves, comprising Restricted and Unrestricted Funds, carried forward at the end of the year were £504,140, compared with £531,913 in the prior period. The former Restricted Funds held of £2,430 (2021/22: £2,430) relate to the successful completion of all outstanding projects in previous periods.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

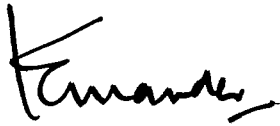
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on7/9/23..... and signed on behalf of the board of trustees by:



Prof K C Mander
Trustee



Mr H J E Summerfield
Trustee



Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2023

Opinion

We have audited the financial statements of Canterbury Theatre and Festival Trust (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2023

required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2023

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment.

We also consider the results of our enquiries of management, relating to their own identification and assessment of the risks of irregularities and possible related fraud. This includes reviewing available documentation on their policies and procedures and performing tests of controls to evidence their effectiveness.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit.

Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2023

to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor'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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Collyer (Senior Statutory Auditor)

For and on behalf of
Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN
07/09/2023

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2023

		2023	2022	
	Unrestricted funds	Restricted funds	Total funds	
Note	£	£	£	
Income and endowments				
Donations and legacies	5	82,975	–	82,975
Charitable activities	6	375,701	–	375,701
Fundraising income	7	162,988	–	162,988
Investment income	8	1,021	–	1,021
Total income		<u>622,685</u>	<u>–</u>	<u>622,685</u>
Expenditure				
Expenditure on raising funds:				
Costs of other trading activities	9	6,603	–	6,603
Expenditure on charitable activities	10,11	619,716	–	619,716
Other expenditure	12	6,360	–	6,360
Total expenditure		<u>632,679</u>	<u>–</u>	<u>632,679</u>
Net (gains)/losses on investments	14	17,779	–	17,779
Net expenditure and net movement in funds		<u>(27,773)</u>	<u>–</u>	<u>(27,773)</u>
Reconciliation of funds				
Total funds brought forward		529,483	2,430	531,913
Transfer between funds		2,430	(2,430)	–
Total funds carried forward		<u>504,140</u>	<u>–</u>	<u>504,140</u>

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

The notes on pages 16 to 26 form part of these financial statements.

Canterbury Theatre and Festival Trust

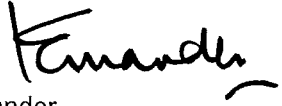
Company Limited by Guarantee


Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	20	360,445	378,224
Current assets			
Debtors	21	4,998	14,636
Cash at bank and in hand		<u>203,237</u>	<u>190,334</u>
		208,235	204,970
Creditors: amounts falling due within one year	22	<u>64,540</u>	<u>51,281</u>
Net current assets		143,695	153,689
Total assets less current liabilities		<u>504,140</u>	<u>531,913</u>
Net assets		<u>504,140</u>	<u>531,913</u>
Funds of the charity			
Restricted funds		—	2,430
Unrestricted funds		<u>504,140</u>	<u>529,483</u>
Total charity funds	25	<u>504,140</u>	<u>531,913</u>

These financial statements were approved by the board of trustees and authorised for issue on 7/9/23, and are signed on behalf of the board by:


Prof K C Mander
Trustee


Mr H J E Summerfield
Trustee

The notes on pages 16 to 26 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Net expenditure	(27,773)	(31,155)
<i>Adjustments for:</i>		
Net (gains)/losses on investments	17,779	(14,047)
Other interest receivable and similar income	(1,021)	(23)
Accrued expenses	4,810	12,576
<i>Changes in:</i>		
Trade and other debtors	9,638	(325)
Trade and other creditors	8,449	11,222
Cash generated from operations	11,882	(21,752)
Interest received	1,021	23
Net cash from/(used in) operating activities	<u>12,903</u>	<u>(21,729)</u>
Net increase/(decrease) in cash and cash equivalents	12,903	(21,729)
Cash and cash equivalents at beginning of year	<u>190,334</u>	<u>209,346</u>
Cash and cash equivalents at end of year	<u>203,237</u>	<u>187,617</u>

The notes on pages 16 to 26 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 8 Orange Street, Canterbury, Kent, CT1 2JA, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

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.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Investment valuations:

Investment valuations are obtained by trustees from the investment managers, who utilise the closing quoted market price information available at the balance sheet date.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvement	-	Over the remaining term of the lease
Fixtures and fittings	-	25% straight line
Marketing & promotional equipment	-	33.33% and 20% straight line
Computer Equipment	-	25% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

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 transactions value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	76,726	76,726	91,027	91,027
Gift Aid	6,249	6,249	10,241	10,241
	<u>82,975</u>	<u>82,975</u>	<u>101,268</u>	<u>101,268</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Box office/other events	349,110	349,110	174,182	174,182
Grants	26,591	26,591	33,214	33,214
	<u>375,701</u>	<u>375,701</u>	<u>207,396</u>	<u>207,396</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

7. Fundraising income

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Fundraising	22,468	22,468	14,076	14,076
Sponsorship	119,450	119,450	91,850	91,850
Subscriptions	9,200	9,200	9,833	9,833
Advertising	6,870	6,870	10,765	10,765
Rental & other income	5,000	5,000	5,000	5,000
	<u>162,988</u>	<u>162,988</u>	<u>131,524</u>	<u>131,524</u>

8. Investment income

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Bank interest receivable	<u>1,021</u>	<u>1,021</u>	<u>23</u>	<u>23</u>

9. Costs of other trading activities

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Fundraising costs	<u>6,603</u>	<u>6,603</u>	<u>6,384</u>	<u>6,384</u>

10. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Promotion of the arts	612,470	612,470	463,213	463,213
Support costs	7,246	7,246	8,453	8,453
	<u>619,716</u>	<u>619,716</u>	<u>471,666</u>	<u>471,666</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023	Total fund 2022
	£	£	£	£
Promotion of the arts	612,470	–	612,470	463,213
Governance costs	–	7,246	7,246	8,453
	<u>612,470</u>	<u>7,246</u>	<u>619,716</u>	<u>471,666</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

12. Other expenditure

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Unrecoverable VAT	3,667	3,667	5,620	5,620
Bank and finance charges	2,693	2,693	1,743	1,743
	<u>6,360</u>	<u>6,360</u>	<u>7,363</u>	<u>7,363</u>

13. Taxation

The Canterbury Theatre and Festival trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within the categories covered by Chapter 3 Part 11 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.

14. Net gains/losses on investments

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Gains/(losses) on investments	<u>(17,779)</u>	<u>(17,779)</u>	<u>14,047</u>	<u>14,047</u>

15. Auditors remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	<u>5,600</u>	<u>5,600</u>

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	236,265	214,500
Social security costs	20,287	17,734
Employer contributions to pension plans	10,590	11,768
	<u>267,142</u>	<u>244,002</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

16. Staff costs *(continued)*

The average head count of employees during the year was 7 (2022: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Administration	6	6
Marketing	1	1
	<u>7</u>	<u>7</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2023 No.	2022 No.
£60,000 to £69,999	1	1

17. Trustee remuneration and expenses

The Trustees and certain other senior employees who have authority and responsibility for planning, directing and controlling the activities of the charity, are considered to be key management personnel. No Trustees received remuneration during the period (2022: £Nil) and the total salaries received by key management personnel during the year was £96,968 (2022: £136,063). In addition, employer pension contributions amount to £6,932 (2022: £6,949) and employer national insurance contributions amount to £15,695 (2022: £15,621).

18. Trustee indemnity insurance

During the year the Charity paid £586 (2022: £586) for Trustee Liability Insurance as part of a complete insurance policy to cover neglect of defaults of its Trustees and Officers.

19. Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Marketing & promotional equipment £	Computer equipment £	Total £
Cost					
At 1 April 2022 and 31 March 2023	<u>45,284</u>	<u>2,116</u>	<u>6,500</u>	<u>20,399</u>	<u>74,299</u>
Depreciation					
At 1 April 2022 and 31 March 2023	<u>45,284</u>	<u>2,116</u>	<u>6,500</u>	<u>20,399</u>	<u>74,299</u>
Carrying amount					
At 31 March 2023	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
At 31 March 2022	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

20. Investments

	Listed investments £
Cost or valuation	
At 1 April 2022	378,224
Additions	—
Fair value movements	(17,779)
At 31 March 2023	<u>360,445</u>
Impairment	
At 1 April 2022 and 31 March 2023	
Carrying amount	
At 31 March 2023	<u>360,445</u>
At 31 March 2022	<u>378,224</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Financial assets are measured at fair value on the date of the balance sheet.

21. Debtors

	2023 £	2022 £
Trade debtors	269	2,254
Prepayments and accrued income	—	3,438
Other debtors	4,729	8,944
	<u>4,998</u>	<u>14,636</u>

22. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,743	7,183
Accruals and deferred income	41,544	22,840
Social security and other taxes	5,931	5,873
Other creditors	14,322	15,385
	<u>64,540</u>	<u>51,281</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

23. Deferred income

	2023	2022
	£	£
At 1 April 2022	4,557	8,050
Amount released to income	(4,557)	(8,050)
Amount deferred in year	18,451	4,557
At 31 March 2023	<u>18,451</u>	<u>4,557</u>

24. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £10,590 (2022: £11,768).

25. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2022	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2022 3
General funds	526,483	622,685	(632,679)	2,430	(17,779)	501,140
Designated funds - Grants	3,000	-	-	-	-	3,000
	<u>529,483</u>	<u>622,685</u>	<u>(632,679)</u>	<u>2,430</u>	<u>(17,779)</u>	<u>504,140</u>

	At 1 Apr 2021	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2021 2
General funds	557,638	440,211	(485,413)	-	14,047	526,483
Designated funds - Grants	3,000	-	-	-	-	3,000
	<u>560,638</u>	<u>440,211</u>	<u>(485,413)</u>	<u>-</u>	<u>14,047</u>	<u>529,483</u>

Designated funds

Orange Street Maintenance Fund

The board has decided that this designated fund is no longer required and as such all funds have been transferred to general funds.

Grants

The board has designated the grants that it had received for specific projects.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

25. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Apr 2022	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2023
Restricted funds	<u>2,430</u>	<u>—</u>	<u>—</u>	<u>(2,430)</u>	<u>—</u>	<u>—</u>

	At 1 Apr 2021	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2022
Restricted funds	<u>2,430</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,430</u>

Restricted funds

Restricted funds in respect of Kent Arts Investment and the Visual Evaluation of Made in Kent were received during 2017 and used for grants to artists. This has been transferred to unrestricted reserves during the year, as it was identified that the monies have been properly spent in accordance with the restriction.

26. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Investments	360,445	—	360,445
Current assets	208,235	—	208,235
Creditors less than 1 year	<u>(64,540)</u>	<u>—</u>	<u>(64,540)</u>
Net assets	<u>504,140</u>	<u>—</u>	<u>504,140</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Investments	378,224	—	378,224
Current assets	202,540	2,430	204,970
Creditors less than 1 year	<u>(51,281)</u>	<u>—</u>	<u>(51,281)</u>
Net assets	<u>529,483</u>	<u>2,430</u>	<u>531,913</u>

27. Analysis of changes in net debt

	At 1 Apr 2022 £	Cash flows £	At 31 Mar 2023 £
Cash at bank and in hand	<u>190,334</u>	<u>12,903</u>	<u>203,237</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

28. Related parties

i) During the year, the trustees and related parties donated £3,125 (2021/22: £3,808) to the charity.

ii) As noted in the Report of the Trustees, Canterbury Theatre and Festival Trust has a close relationship with Canterbury Festival Foundation. The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust. From the cumulative excess of income over expenditure the Foundation made a donation totalling £45,000 (2021/22: £45,000) to the Canterbury Theatre and Festival Trust in order to support its charitable activities for the year to March 2023.

iii) The registered office of the Canterbury Theatre and Festival Trust is 8 Orange Street, Canterbury, Kent, CT1 2JA. This building is owned by the Canterbury Festival Foundation, a charity set up in order to aid and support the Canterbury Theatre and Festival Trust in carrying out its charitable activities. No rent is charged for the occupation or use of the building.

29. Controlling party

The charity is a company limited by guarantee and was controlled throughout the year by the Trustees.

CANTERBURY THEATRE AND FESTIVAL TRUST

England & Wales - Charity number 279714

Accounts

COMPANY REGISTRATION NUMBER: 01480595
CHARITY REGISTRATION NUMBER: 279714

Canterbury Theatre and Festival Trust
Company Limited by Guarantee
Financial Statements
31 March 2022

BURGESS HODGSON LLP

Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2022

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Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

The Trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022.

Chair's report

The Board of the Canterbury Theatre and Festival Trust presents its report for year ending 31 March 2022, which includes the 2021 Festival.

The Canterbury Theatre and Festival Trust is one of Kent's leading arts organisations, producing a two-week international festival, working year-round to commission and promote performances and exhibitions; working to build future audiences; fostering creative ambition and building talent and skills, and spearheading the cultural life of Canterbury. Its primary focus is the annual international Festival which ordinarily engages over 60,000 participants and whose profile and income generating powers are channelled in turn into year-round cultural activity for young people and communities who may not otherwise be involved with the arts.

Following the extraordinary period described in my previous report (which covered the 15-month period ending 31 March 2021) we moved cautiously into 2021/22 with a slightly expanded Festival, informed by our experiences of handling the 2020 Festival, while still being unable to return to our pre-pandemic level and range of activities, particularly in respect of our year-round activities with young people and local communities.

The 2021 Festival was framed around three large and spectacular choral and orchestral concerts in Canterbury Cathedral. Supersize Polyphony presented works for choirs of 40, 53 and 60 singers given by the Armonico Consort & Baroque Players supported by local singers; The Kingdom Choir brought their own energy and enthusiasm to UK gospel music, attracting a new and more diverse audience as a result; and the Canterbury Choral Society closed the programme with a popular programme of Haydn and Mozart.

Within this framework the usual range of talks, walks, physical theatre, comedy and science all broadened the experience. For some of these events (for example, the Young Musicians' Bursary Competition Final) it was possible once again to hold the event with a live rather than digital audience. The Beautiful Noise Community Celebration marked a welcome return of community music making in locations across the City with a selection of indoor and outdoor venues hosting bite-size performances throughout the day.

The Science strand provided an opportunity to present events around current issues of global concern, including: Living Wild, Weird and Wonderful (presented by Megan McCubbin) and a Global Climate Emergency discussion as part of Canterbury Climate Action Week.

The 2021 Festival therefore represented a welcome increase in activity over 2020 levels, with ticket sales achieved in excess of budget, and welcome support from donors and sponsors being maintained. Direct comparisons with 2020/1 are difficult as the 2020/21 accounts were for a 15-month period. The 2021/22 accounts contain a number of one-off expenses, for example increased marketing as we moved through the pandemic, and some capital expenditure to facilitate a greater digital capability in future years. But in broad terms, the small trading deficit in the accounts for 2021/22 was a deliberate decision by the Board, consequent on moving through the Covid pandemic, and can easily be accommodated from existing reserves.

The new (April to March) financial year also gave the Board, in January 2022, an opportunity to review the 2021 Festival before setting the budget for 2022/23. This was welcomed (by the Board at least): it was an opportunity, the first for a considerable time, to meet face-to-face, to receive a very detailed presentation of 2021/22 activities against the 2021/24 strategic plan, and to ask challenging questions. It was also possible to discuss how we use the Festival's reserves, our attitude to risk, to encourage costed proposals from the Festival Team for expenditure on new projects (which then came to the March Board meeting), and to re-consider what an "equal and diverse" Festival should look like.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

This was a valuable meeting that gave a real sense of strategic direction, involvement and enthusiasm to all concerned. Chief amongst several proposals was the reinstatement of the Festival's education strand, working with young people and local communities, at the earliest opportunity. The Festival's own box office is now enabling the Festival to increase the provision of box office services to a number of other local organisations.

Once again, we acknowledge with gratitude the support of Arts Council England, our Partner and Principal Sponsor (Canterbury Christ Church University), our Headline Sponsors (Kent College, The Canterbury Auction Galleries, and Paul Roberts), other local sponsors, donors and audiences, who have sustained our ability, even in these difficult times, to bring the best of the arts to Canterbury in a rich and diverse artistic programme that makes our audiences feel welcome, excited, challenged and wanting to return.

On behalf of the Trustees, I should like to place on record our appreciation for the energetic and creative leadership of Rosie Turner, the Festival Director, and her loyal and hard-working staff team who have once again delivered artistic excellence in challenging times, enhancing the Festival's 'can-do' reputation in doing so.

The Trustees are particularly appreciative of the enthusiastic commitment of those who bought tickets for the Festival this year, and those who donated to keep the Festival alive. I should like to extend my thanks to the volunteers, including the Trustees themselves, that provide help and lively and professional support each year.

Despite 2020 being the bumpiest of rides, 2021 marked a slow return to long-term sustainability. The Festival's goals remain to move forward, to develop exciting new programmes of artistic excellence in its international Festival while achieving audience numbers to sustain the Festival's financial future and raise its national profile. This will allow it to continue to contribute significantly to support Kent-based artists and reflect the very best of the City of Canterbury within which it currently operates in a year-round programme of other activities. It is a challenge that the Festival embraces with enthusiasm and with sustained confidence in its long-term future.

Professor Keith Mander
Chairman

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Reference and administrative details

Registered charity name	Canterbury Theatre and Festival Trust
Charity registration number	279714
Company registration number	01480595
Principal office and registered office	8 Orange Street Canterbury Kent CT1 2JA United Kingdom

The Trustees

Dr K E Neales
Mr H D H G Barton
Mr C Carmichael
Mrs C Glynn-Williams (Resigned 28 April 2021)
Mr P A Hermitage
Mr A T Ironside
Professor D R Lloyd
Prof K C Mander
Air Marshall C M Nickols (Died 10 June 2021)
Mr T Pratt
Mrs H Riva
Mr H J E Summerfield
Mrs C Swire
Mr T Walder
Professor A Borthwick

Auditor Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Bankers National Westminster Bank plc
11 The Parade
Canterbury
Kent
CT1 2SQ

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new Trustees

As set out in the Articles of Association, the Trustees retire by rotation one third each year but shall be eligible for re-election. The Articles allow for the board to appoint Trustees during the year, such Trustees shall retain their office only until the next AGM but shall then be eligible for re-election. When considering co-opting a Trustee (new appointment), the Board has regard to the requirements of any specialist skills needed and in order to provide necessary academic, professional and commercial knowledge required with respect to a charitable arts company.

Induction and training new Trustees

New Trustees are offered training to brief them on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and current financial performance of the charity. From time to time Trustees are encouraged to attend appropriate external training events, where these will facilitate the understanding of their role.

Organisational structure

The charity is governed by the Board of Trustees, which meets at least five times a year and is responsible for making strategic and governance decisions regarding the Trust. There are sub-committees covering sponsorship and finance and secondly strategy and planning. These sub-committees are assisted by the charity's staff members. The Festival Director has delegated authority, within terms approved by the Trustees, for operational matters including finance, employment and artistic performance related activity. At each board meeting, detailed written reports are submitted by the officers and sub-committees for open discussion.

Related parties

The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust (the charity). The aim of the organisation is to raise endowment funds which can be invested, and income used for the benefit of Canterbury Theatre and Festival Trust. The Canterbury Theatre and Festival Trust has the power to appoint the Trustees to the Canterbury Festival Foundation. In 2022, the Foundation donated c.£20,000 (2020/21: c.£20,000) to the charity.

The Friends of Canterbury Festival is an organisation incorporated as from June 2004 within the Canterbury Festival Foundation which raises funds for Canterbury Theatre and Festival Trust. In 2022, the Friends donated a total of c.£25,000 (2020/21: c.£25,000) to the charity.

Each year the Canterbury Festival Foundation offers a Bursary to a young musician which is presented at a concert held during the Canterbury Festival. The costs with respect to individual grant making are borne by the charity, on behalf of the Foundation. The work is carried out on an in-kind basis by employees of the charity as part of their normal duties and the cost of staging the concert is met by the charity as part of its general expenditure on production.

Risk management

The charity's risk management strategy includes:

1. A bi-annual review of the risks the charity may face.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

2. The establishment of systems and procedures to mitigate those risks identified in the delivery of the Festival's Strategic Plan 2021-2024 created in 2020 for the period to 2024.

3. The implementation of procedures designed to minimise any potential impact on the charity, should these risks materialise.

The charity maintains a Risk Register which identifies the principal risks as non-financial issues arising from artistic excellence, competition and public perception, together with management of the specific risks concerning the loss of core income or failure to reach fundraising targets. The Trustees are satisfied that adequate steps are taken to mitigate these risks and others identified within the Risk Register.

A further key element in the management of financial risk is the setting of a reserve policy and its regular review by Trustees.

Reserve policy

The Trustees recognised the potential longer term effects of Covid on arts based charities and consequently undertook a strategic review in January 2021. This helped inform the development of a three year operational plan and budgets designed to bring the organisation into a financial break-even position by March 2024. A full risk assessment of the Festival's principal income and expenditure streams has now been undertaken. This has resulted in the development of a revised reserves policy.

The Policy

As a result of careful stewardship of its resources, Canterbury Festival has built a cash reserve of approximately £550k. This is held in its bank accounts as well as a medium-risk portfolio investment with Rathbones. In line with Charity Commission guidelines, the Festival has completed a full risk assessment of its three year financial projections and has determined that its reserves should be applied as follows:

1) The Festival's financial objectives require the organisation to maintain a free cash reserve equivalent to approximately six months of its core operating costs - £150k. 2) The Festival recognises the risks associated with future ticket sales and has determined to maintain a designated reserve of £40k to cover any shortfall in ticket income. 3) The Festival continues to be heavily reliant on fundraising, sponsorship and grant support. The full impact of the pandemic on its supporters is unknown, however it is considered appropriate to designate up to £160k against any shortfall. 4) The new strategic plan recognises the importance of investment in order to ensure the Festival has the necessary technological and other infrastructure to support its future development and operation. Consequently, a maximum of £200k is being designated to reset the charity over the next three years.

By following this policy, Canterbury Festival will ensure that all its resources are applied to support the delivery of its charitable objectives.

Investment policy and objectives

Under the Memorandum and Articles of Association the charity has the power to invest in any way the Trustees feel appropriate.

The Trustees have invested £300,000 of the Unrestricted reserve with Rathbone's Investments. The Trustees have set an ethical approach to the Festival's investment portfolio. It does not wish to:

- Invest directly in companies the major part of whose business is pornography, gambling, tobacco, pay day loans or armaments.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

- Invest in pooled investments funds where there is significant exposure to companies the major part of whose business is pornography, gambling, tobacco, pay day loans or armaments.

Objectives and activities

The principal objects of the charity as stated in the Memorandum of Association is to promote, maintain, improve and advance the education of the public in the arts, including the arts of drama, mime, dance, singing, opera and music, ballet, cinema, concert, stage performances and the visual arts generally. The charity promotes the arts in East Kent and in particular organises and runs the Canterbury Festival.

Strategies employed to achieve the charity's objectives are:

1. To engage national and international performing artists covering the range of activities noted as specified in the Articles of Association.
2. Supporting Kent-based artists and performers by promoting their activities.
3. Fostering a greater sense of ownership of the Festival in the region through partnerships.
4. To engage, promote and further develop an educational and outreach programme.
5. Additional creative projects to further develop arts in East Kent.
6. To play a strategically important year-round role supporting and developing the arts in the region.
7. To seek future funding and good financial controls to ensure the sustainability of the Festival.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

Charitable activities

The Trustees believe the 2021 Festival met the charity's objectives in full.

Public benefit

The Trustees confirm that they have complied with the duties set out in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives of the Charity.

Who used and benefited from our services

10,416 tickets were sold for a total of 102 events with 57 sold out completely. Volunteers were specially trained in Covid safety to work in the Festival's venues. Despite some initial reluctance, all artists and Walk leaders who took part in the Festival expressed pleasure, relief and gratitude that they had done so. For many of them and for our audience, simply having a reason to go out in public was an important step to Lockdown recovery and improved mental well being.

Fundraising activities

A total of £217,027 (2020/21: £172,296) excluding box office and programme receipts was raised from Vice Presidents' donations and subscriptions, Gift Aid, general donation, corporate membership, special fundraising and sponsorship. A total of £33,214 (2020/21: £137,100) was raised from grants during the period.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Financial review

The statement of financial activity reflects the Festival's aspirations to become a year-round arts promoting organisation and develop its position as the major promoter of international work within East Kent.

The financial results for the period were satisfactory. The unrestricted Funds before accounting for transfers shows a deficit of £25,736.

Gross income was £440,211 (2020/21: £437,449).

Total resources expended in the year were £479,994, compared with £459,859 in the 15-month period to 2021.

There were unrealised gains of investments of £14,047 (2020/21: £12,350). There was no realisation of any of these gains during the year.

The total reserves, comprising Restricted and Unrestricted Funds, carried forward at the end of the year were £529,483, compared with £555,219 in the prior period. The Restricted Funds held of £2,430 (2020/21: £2,430) relate to the successful completion of all outstanding projects.

Trustees' responsibilities statement

The Trustees, who are also directors 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 charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

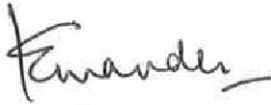
Year ended 31 March 2022

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The Trustees' annual report and the strategic report were approved on7/7/22..... and signed on behalf of the board of Trustees by:



Prof K C Mander
Trustee



Mr H J E Summerfield
Trustee



Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2022

Opinion

We have audited the financial statements of Canterbury Theatre and Festival Trust (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2022

required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2022

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment.

We also consider the results of our enquiries of management, relating to their own identification and assessment of the risks of irregularities and possible related fraud. This includes reviewing available documentation on their policies and procedures and performing tests of controls to evidence their effectiveness.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit.

Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Year ended 31 March 2022

to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor'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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Collyer (Senior Statutory Auditor)

For and on behalf of
Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

07/07/2022

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2022

	Note	Year to 31 Mar 22			Period from
		Unrestricted funds £	Restricted funds £	Total funds £	1 Jan 20 to 31 Mar 21
Income and endowments					Total funds £
Donations and legacies	5	101,268	—	101,268	147,699
Charitable activities	6	207,396	—	207,396	205,103
Fundraising income	7	131,524	—	131,524	84,491
Investment income	8	23	—	23	156
Total income		<u>440,211</u>	<u>—</u>	<u>440,211</u>	<u>437,449</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	6,384	—	6,384	780
Expenditure on charitable activities	10,11	471,666	—	471,666	454,164
Other expenditure	12	7,363	—	7,363	4,915
Total expenditure		<u>485,413</u>	<u>—</u>	<u>485,413</u>	<u>459,859</u>
Net gains/losses on investments	14	(14,047)	—	(14,047)	(12,350)
Net expenditure and net movement in funds		<u>(31,155)</u>	<u>—</u>	<u>(31,155)</u>	<u>(10,060)</u>
Reconciliation of funds					
Total funds brought forward		560,638	2,430	563,068	573,128
Total funds carried forward		<u>529,483</u>	<u>2,430</u>	<u>531,913</u>	<u>563,068</u>

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

The notes on pages 16 to 28 form part of these financial statements.

Canterbury Theatre and Festival Trust

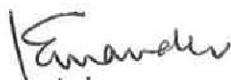
Company Limited by Guarantee

Statement of Financial Position


31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	21	378,224	364,177
Current assets			
Debtors	22	14,636	14,311
Cash at bank and in hand		190,334	209,346
		<u>204,970</u>	<u>223,657</u>
Creditors: amounts falling due within one year	23	<u>51,281</u>	<u>24,766</u>
Net current assets		<u>153,689</u>	<u>198,891</u>
Total assets less current liabilities		<u>531,913</u>	<u>563,068</u>
Net assets		<u>531,913</u>	<u>563,068</u>
Funds of the charity			
Restricted funds		2,430	2,430
Unrestricted funds		529,483	560,638
Total charity funds	27	<u>531,913</u>	<u>563,068</u>

These financial statements were approved by the board of Trustees and authorised for issue on 7/7/22, and are signed on behalf of the board by:



Prof K C Mander
Trustee



Mr H J E Summerfield
Trustee

The notes on pages 16 to 28 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2022

	2022 £	Period from 1 Jan 20 to 31 Mar 21 £
Cash flows from operating activities		
Net expenditure	(31,155)	(10,060)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	–	2,762
Government grant income	–	(44,959)
Net gains/losses on investments	(14,047)	(12,350)
Other interest receivable and similar income	(23)	(156)
Accrued expenses/(income)	12,576	(963)
<i>Changes in:</i>		
Trade and other debtors	(325)	41,131
Trade and other creditors	13,939	6,064
Cash generated from operations	(19,035)	(18,531)
Interest received	23	156
Net cash used in operating activities	(19,012)	(18,375)
Cash flows from financing activities		
Government grant income	–	44,959
Net cash from financing activities	–	44,959
Net (decrease)/increase in cash and cash equivalents	(19,012)	26,584
Cash and cash equivalents at beginning of year	209,346	188,095
Cash and cash equivalents at end of year	190,334	214,679

The notes on pages 16 to 28 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 8 Orange Street, Canterbury, Kent, CT1 2JA, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

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.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

As part of their going concern review the Trustees have considered the impact of COVID-19 on the Festival's plans. By taking advantage of support available from the government, the Trust's reserves, and by making appropriate contingencies in relation to the two-week Festival, the Trustees are confident that they will have sufficient available funds to support the charity from 2023 and beyond. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Investment valuations:

Investment valuations are obtained by Trustees from the investment managers, who utilise the closing quoted market price information available at the balance sheet date.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvement	-	Over the remaining term of the lease
Fixtures and fittings	-	25% straight line
Marketing & promotional equipment	-	33.33% and 20% straight line
Computer Equipment	-	25% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Government grants

Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

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 transactions value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds Period from 1 Jan 20 to 31 Mar 21 £
Donations				
Donations	91,027	91,027	94,791	94,791
Gift Aid	10,241	10,241	7,949	7,949
Grants				
Government grant income	—	—	44,959	44,959
	<u>101,268</u>	<u>101,268</u>	<u>147,699</u>	<u>147,699</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Box office/other events	174,182	–	174,182
Grants	33,214	–	33,214
	<u>207,396</u>	<u>–</u>	<u>207,396</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds Period from 1 Jan 20 to 31 Mar 21 £
Box office/other events	68,003	–	68,003
Grants	135,600	1,500	137,100
	<u>203,603</u>	<u>1,500</u>	<u>205,103</u>

7. Fundraising income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds Period from 1 Jan 20 to 31 Mar 21 £
Fundraising	14,076	14,076	2,449	2,449
Sponsorship	91,850	91,850	56,740	56,740
Subscriptions	9,833	9,833	10,367	10,367
Advertising	10,765	10,765	6,205	6,205
Rental & other income	5,000	5,000	8,730	8,730
	<u>131,524</u>	<u>131,524</u>	<u>84,491</u>	<u>84,491</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds Period from 1 Jan 20 to 31 Mar 21 £
Bank interest receivable	23	23	156	156
	<u>23</u>	<u>23</u>	<u>156</u>	<u>156</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds Period from 1 Jan 20 to 31 Mar 21 £
Fundraising costs	6,384	6,384	780	780
	<u>6,384</u>	<u>6,384</u>	<u>780</u>	<u>780</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Promotion of the arts	463,213	–	463,213
Support costs	8,453	–	8,453
	<u>471,666</u>	<u>–</u>	<u>471,666</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds Period from 1 Jan 20 to 31 Mar 21 £
Promotion of the arts	442,976	2,000	444,976
Support costs	9,188	–	9,188
	<u>452,164</u>	<u>2,000</u>	<u>454,164</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund Period from 1 Jan 20 to 31 Mar 21 £
Promotion of the arts	463,213	–	463,213	444,976
Governance costs	–	8,453	8,453	9,188
	<u>463,213</u>	<u>8,453</u>	<u>471,666</u>	<u>454,164</u>

12. Other expenditure

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds Period from 1 Jan 20 to 31 Mar 21 £
Unrecoverable VAT	5,620	5,620	2,543	2,543
Bank and finance charges	1,743	1,743	2,372	2,372
	<u>7,363</u>	<u>7,363</u>	<u>4,915</u>	<u>4,915</u>

13. Taxation

The Canterbury Theatre and Festival trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within the categories covered by Chapter 3 Part 11 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.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

14. Net gains/losses on investments

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds Period from 1 Jan 20 to 31 Mar 21
	£	£	£	£
Gains/(losses) on investments	14,047	14,047	12,350	12,350

15. Net expenditure

Net expenditure is stated after charging/(crediting):

	2022	Period from 1 Jan 20 to 31 Mar 21
	£	£
Depreciation of tangible fixed assets	—	2,762

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

16. Auditors remuneration

	Year to 31 Mar 22	Period from 1 Jan 20 to 31 Mar 21
	£	£
Fees payable for the audit of the financial statements	5,600	5,600

17. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Year to 31 Mar 22	Period from 1 Jan 20 to 31 Mar 21
	£	£
Wages and salaries	214,500	278,272
Social security costs	17,734	24,199
Employer contributions to pension plans	11,768	12,823
	244,002	315,294

The average head count of employees during the year was 7 (2021: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	Period from 1 Jan 20 to 31 Mar 21
	No.	No.
Administration	6	6
Marketing	1	1
	7	7

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

17. Staff costs *(continued)*

The number of employees whose remuneration for the year fell within the following bands, were:

	2022 No.	Period from 1 Jan 20 to 31 Mar 21 No.
£60,000 to £69,999	<u>1</u>	<u>1</u>

18. Trustee remuneration and expenses

The Trustees and certain other senior employees who have authority and responsibility for planning, directing and controlling the activities of the charity, are considered to be key management personnel. No Trustees received remuneration during the period (2020/21: £Nil) and the total salaries received by key management personnel during the year was £93,465 (2020/21: £174,660). In addition, employer pension contributions amount to £1,331 (2020/21: £8,687) and employer national insurance contributions amount to £10,559 (2020/21: £19,575).

19. Trustee indemnity insurance

During the year the Charity paid £586 (2020/21: £586) for Trustee Liability Insurance as part of a complete insurance policy to cover neglect of defaults of its Trustees and Officers.

20. Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Marketing & promotional equipment £	Computer equipment £	Total £
Cost					
At 1 April 2021 and 31 March 2022	<u>45,284</u>	<u>2,116</u>	<u>6,500</u>	<u>20,399</u>	<u>74,299</u>
Depreciation					
At 1 April 2021 and 31 March 2022	<u>45,284</u>	<u>2,116</u>	<u>6,500</u>	<u>20,399</u>	<u>74,299</u>
Carrying amount					
At 31 March 2022	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
At 31 March 2021	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

21. Investments

	Listed investments £
Cost or valuation	
At 1 April 2021	364,177
Additions	—
Fair value movements	14,047
At 31 March 2022	<u>378,224</u>
Impairment	
At 1 April 2021 and 31 March 2022	
Carrying amount	
At 31 March 2022	378,224
At 31 March 2021	<u>364,177</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Financial assets are measured at fair value on the date of the balance sheet.

22. Debtors

	2022 £	2021 £
Trade debtors	2,254	—
Prepayments and accrued income	3,438	660
Other debtors	8,944	13,651
	<u>14,636</u>	<u>14,311</u>

23. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	7,183	1,456
Accruals and deferred income	22,840	13,757
Social security and other taxes	5,873	5,770
Other creditors	15,385	3,783
	<u>51,281</u>	<u>24,766</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

24. Deferred income

	2022	2021
	£	£
At 1 Apr 21	8,050	5,333
Amount released to income	(8,050)	(5,333)
Amount deferred in year	4,557	8,050
At 31 Mar 22	<u>4,557</u>	<u>8,050</u>

25. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £11,768 (2020/21: £12,823).

26. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2022	Period from 1 Jan 20 to 31 Mar 21
	£	£
Recognised in income from donations and legacies:		
Government grants income	—	<u>44,959</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

27. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2022 £
General funds	557,638	440,211	(485,413)	—	14,047	526,483
Designated funds - Orange Street maintenance fund	—	—	—	—	—	—
Designated funds - Grants	3,000	—	—	—	—	3,000
	<u>560,638</u>	<u>440,211</u>	<u>(485,413)</u>	<u>—</u>	<u>14,047</u>	<u>529,483</u>

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2021 £
General funds	568,736	432,949	(457,859)	1,462	12,350	557,638
Designated funds - Orange Street maintenance fund	1,462	—	—	(1,462)	—	—
Designated funds - Grants	—	3,000	—	—	—	3,000
	<u>570,198</u>	<u>435,949</u>	<u>(457,859)</u>	<u>—</u>	<u>12,350</u>	<u>560,638</u>

Designated funds

Orange Street Maintenance Fund

The board has decided that this designated fund is no longer required and as such all funds have been transferred to general funds.

Grants

The board has designated the grants that it had received for specific projects.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

27. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Apr 2021	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2022
	£	£	£	£	£	£
Restricted funds	<u>2,430</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,430</u>

	At 1 Jan 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2021
	£	£	£	£	£	£
Restricted funds	<u>2,930</u>	<u>1,500</u>	<u>(2,000)</u>	<u>—</u>	<u>—</u>	<u>2,430</u>

Restricted funds

Restricted funds in respect of Kent Arts Investment and the Visual Evaluation of Made in Kent were received during 2017 and used for grants to artists.

28. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Investments	378,224	—	378,224
Current assets	202,540	2,430	204,970
Creditors less than 1 year	<u>(51,281)</u>	<u>—</u>	<u>(51,281)</u>
Net assets	<u>529,483</u>	<u>2,430</u>	<u>531,913</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Tangible fixed assets	—	—	—
Investments	364,177	—	364,177
Current assets	221,227	2,430	223,657
Creditors less than 1 year	<u>(24,766)</u>	<u>—</u>	<u>(24,766)</u>
Net assets	<u>560,638</u>	<u>2,430</u>	<u>563,068</u>

29. Analysis of changes in net debt

	At 1 Apr 2021	Cash flows	At 31 Mar 2022
	£	£	£
Cash at bank and in hand	<u>209,346</u>	<u>(19,012)</u>	<u>190,334</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

30. Related parties

i) During the year, the Trustees and related parties donated £3,808 (2020/21: £8,808) to the charity.

ii) As noted in the Report of the Trustees, Canterbury Theatre and Festival Trust has a close relationship with Canterbury Festival Foundation. The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust. From the excess of income over expenditure the Foundation made a donation totalling c.£45,000 (2020/21: c.£45,000) to the Canterbury Theatre and Festival Trust in order to support its charitable activities for the year to March 2022.

iii) The registered office of the Canterbury Theatre and Festival Trust is 8 Orange Street, Canterbury, Kent, CT1 2JA. This building is owned by the Canterbury Festival Foundation, a charity set up in order to aid and support the Canterbury Theatre and Festival Trust in carrying out its charitable activities. No rent is charged for the occupation or use of the building.

31. Controlling party

The charity is a company limited by guarantee and was controlled throughout the year by the Trustees.

CANTERBURY THEATRE AND FESTIVAL TRUST

England & Wales - Charity number 279714

Accounts

COMPANY REGISTRATION NUMBER: 01480595
CHARITY REGISTRATION NUMBER: 279714

Canterbury Theatre and Festival Trust
Company Limited by Guarantee
Financial Statements
31 March 2021

BURGESS HODGSON LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Canterbury Theatre and Festival Trust
Company Limited by Guarantee
Financial Statements
Period from 1 January 2020 to 31 March 2021

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Canterbury Theatre and Festival Trust
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Period from 1 January 2020 to 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the period ended 31 March 2021.

Chair's report

The Board of the Canterbury Theatre and Festival Trust presents its report for 15-month period ending 31 March 2021, which includes the 2020 Festival.

The Canterbury Theatre and Festival Trust is one of Kent's leading arts organisations, producing a two-week international festival, working year-round to commission and promote performances and exhibitions; working to build future audiences; fostering creative ambition and building talent and skills, and spearheading the cultural life of Canterbury. Its primary focus is the annual international Festival which ordinarily engages over 60,000 participants and whose profile and income generating powers are channelled in turn into year-round cultural activity for young people and communities who may not otherwise be involved with the arts.

But "ordinarily" is not an appropriate description for the 15-month period ending 31 March 2021.

The minutes of the Board's meeting on 12 March 2020 record that "We may need to consider what might happen and how to cope if we cannot hold Festival this year", but otherwise Covid-19 went unremarked. Within two weeks, however, the team was working from home, and we were all familiarising ourselves with Zoom. There was soon much discussion about whether we would be able to hold a Festival in 2020, but that discussion gradually focussed down onto two issues: (i) if we somehow could hold a Festival in 2020, we should try to do so, because that would best fulfil our charitable objectives, and (ii) if we were prevented from holding a Festival at the last minute, could we cope with the financial cost. As time passed, it remained the case that it might be possible to hold a Festival, but it was also the case that the costs in the event of last-minute cancellations would be higher than if we had abandoned the idea earlier.

Supported by modest reserves built up over the last few years, we held our collective nerve, and by a combination of extraordinary organisation from the Festival Team, some financial support from Arts Council England and other supporters, and a considerable dose of luck, we not only put on a Festival, but we put on a Festival of the highest artistic quality, enjoyed by all who attended. And having done that, everything locked down again.

In this extraordinary year, it is worth recording how it felt. The Festival opened, as it might ordinarily have done, with a wonderful concert in the Cathedral from Tenebrae. But to see just 200 people, all masked, looking slightly apprehensive and very socially distanced, in the Nave of the Cathedral, when one might have expected to see 800, was a strange experience indeed. Within a couple of days, and encouraged by the evident use of social distancing and hand sanitiser, people were starting to relax.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 January 2020 to 31 March 2021

Mig Kimpton came onto an empty stage at Kent College, and left 90 minutes later with the stage full of flower arrangements (later given to members of the audience) inspired by Shakespeare performed by young actors.

The highlight of the Festival for many was the performance of all 32 Beethoven piano sonatas in (almost) chronological order by Joanna MacGregor over 8 concerts preceded by a talk. Not only was it a unique opportunity to hear all the sonatas in their own context, but it provided a single concert that perhaps typified the whole 2020 Festival experience. On the evening of 24 October, we heard The Tempest and Hammerklavier sonatas - providing a (musical) storm in the hall, while a (meteorological) storm raged outside, and the whole world was engulfed in the (metaphorical) storm of Covid. A truly unforgettable evening, for many reasons.

Around all this, the usual range of talks were given, generally in person, though at the last minute one speaker had to appear via technology. Physical theatre, improvised parody, comedy, and science all broadened the experience, and some events were held digitally without an audience.

Surprisingly, Covid brought some benefits. The prescient decision in 2019 to operate our own box office meant that audience members could be greeted by name, and this, and the very high standard of audience care, was welcomed by all. Others were simply ecstatic at being able to hear live performance after so long in isolation.

But we were lucky: as Gentlemen of Few were closing the Festival, further lockdown measures were announced.

We have also taken the opportunity, in this extraordinary year, to reflect on some other aspects of the Festival's activities. First, we have changed our year end from 31 December to 31 March. This aligns us more closely with organisations with which we interface, and, perhaps more importantly, allows us a period of proper reflection on the recently-completed Festival and an opportunity to set some strategic objectives for the Festival to come, before we start our new financial year. Incidentally, it has also allowed us to put many of the financial consequences of Covid into a single reporting period. Secondly, Trustees held a virtual "Away Day" (actually two 90-minute Zoom meetings, separated by small group activities) to agree a new strategic plan, linking, perhaps for the first time, our financial and artistic objectives. This plan reaffirmed our commitment to: ensure artistic excellence for a wide audience; deepen public engagement in the Arts; develop our organisation as we adapt to new circumstances; generate income for sustainability and independence; focus our year-round learning on community engagement; and enhance our relationships with partners. This was a substantial piece of work in which all Trustees and staff were fully engaged.

We have often said that running an Arts organisation is a bit like riding a bicycle: you have to keep moving forward otherwise you fall off. In this extraordinary year, I think we can say with confidence that we have kept moving. We have delivered a wonderful Festival (one of few such events to take place in 2020), with financial support from the Government's furlough scheme we have kept the staff employed throughout the year, we have refreshed our strategic plan to rebuild our activities in the wake of truly unprecedented events over which we had little control, and have emerged with renewed confidence in the value of what we are doing and the role that it plays in our community.

As ever, we acknowledge with gratitude the support of Arts Council England, our local sponsors, donors and audiences, who have sustained our ability, even in these most exceptional of times, to bring the best of the arts to Canterbury in a rich and diverse artistic programme that makes our audiences feel welcome, excited, challenged and wanting to return.

On behalf of the Trustees, I should like to place on record our appreciation for the energetic and creative leadership of Rosie Turner, the Festival Director, and her loyal and hard-working staff team who have delivered artistic excellence in extraordinary times, enhancing the Festival's 'can-do' reputation in doing so.

Canterbury Theatre and Festival Trust

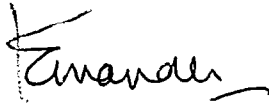
Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 January 2020 to 31 March 2021

The Trustees are particularly appreciative of the enthusiastic commitment of those who bought tickets for the Festival this year, and those who donated to keep the Festival alive. I should like to extend my thanks to the volunteers, including the Trustees themselves, that provide help and lively and professional support each year, and who responded so well to the particular circumstances in 2020.

Despite 2020 being the bumpiest of rides, the Festival's goals remain to move forward without falling off, to develop exciting new programmes of artistic excellence in its international Festival while achieving audience numbers to sustain the Festival's financial future and raise its national profile. This will allow it to continue to contribute significantly to support Kent-based artists and reflect the very best of the City of Canterbury within which it currently operates in a year-round programme of other activities. It is a challenge that the Festival embraces with enthusiasm and with renewed confidence in its long-term future.



Professor Keith Mander
Chairman

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 January 2020 to 31 March 2021

Reference and administrative details

Registered charity name	Canterbury Theatre and Festival Trust
Charity registration number	279714
Company registration number	01480595
Principal office and registered office	8 Orange Street Canterbury Kent CT1 2JA United Kingdom

The trustees

Dr K E Neales
Mr H D H G Barton
Mr C Carmichael
Mrs C Glynn-Williams (Resigned 28 April 2021)
Mr P A Hermitage
Mr A T Ironside
Professor D R Lloyd
Prof K C Mander
Air Marshall C M Nickols
Mr T Pratt (Deceased on 10 June 2021)
Mrs H Riva
Mr H J E Summerfield
Mrs C Swire
Mr T Walder
Professor A Borthwick (Appointed 23 July 2020)

Auditor
Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Bankers
National Westminster Bank plc
11 The Parade
Canterbury
Kent
CT1 2SQ

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 January 2020 to 31 March 2021

Structure, governance and management

Change of year end

The Trustees' have made the decision to extend the year-end from 31 December 2020 to 31 March 2021. As a result, the financial statements show a 15-month period compared to a 12-month period in the comparative information.

As noted in the Chairman's report, the Trustees' believe that this aligns them more closely with organisations with which they interface, and, perhaps more importantly, allows a period of proper reflection on the recently completed Festival and an opportunity to set some strategic objectives for the Festival to come, before starting on their new financial year.

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

As set out in the Articles of Association, the Trustees retire by rotation one third each year but shall be eligible for re-election. The Articles allow for the board to appoint Trustees during the year, such Trustees shall retain their office only until the next AGM but shall then be eligible for re-election. When considering co-opting a Trustee (new appointment), the Board has regard to the requirements of any specialist skills needed and in order to provide necessary academic, professional and commercial knowledge required with respect to a charitable arts company.

Induction and training new trustees

New Trustees are offered training to brief them on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the committee and decision-making process, the business plan and current financial performance of the charity. From time to time trustees are encouraged to attend appropriate external training events, where these will facilitate the understanding of their role.

Organisational structure

The charity is governed by the Board of Directors, which meets at least five times a year and is responsible for making strategic and governance decisions regarding the Trust. There are sub-committees covering sponsorship and finance and secondly strategy and planning. These sub-committees are assisted by the charity's staff members. A Festival Director has delegated authority, within terms approved by the Trustees, for operational matters including finance, employment and artistic performance related activity. At each board meeting, detailed written reports are submitted by the officers and sub-committees for open discussion.

Related parties

The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust (the charity). The aim of the organisation is to raise endowment funds which can be invested, and income used for the benefit of Canterbury Theatre and Festival Trust. The Canterbury Theatre and Festival Trust has the power to appoint the Trustees to the Canterbury Festival Foundation. In 2020/21, the Foundation donated £20,000 (2019: £20,000) to the charity.

The Friends of Canterbury Festival is an organisation incorporated as from June 2004 within the Canterbury Festival Foundation which raises funds for Canterbury Theatre and Festival Trust. In 2020/21, the Friends donated a total of £25,000 (2019: £25,000) to the charity.

Each year the Canterbury Festival Foundation offers a Bursary to a young musician which is presented

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 January 2020 to 31 March 2021

at a concert held during the Canterbury Festival. The costs with respect to individual grant making are borne by the charity, on behalf of the Foundation. The work is carried out on an in-kind basis by employees of the charity as part of their normal duties and the cost of staging the concert is met by the charity as part of its general expenditure on production.

Risk management

The charity's risk management strategy includes:

1. A bi-annual review of the risks the charity may face.
2. The establishment of systems and procedures to mitigate those risks identified in the delivery of the Festival's Strategic Plan 2021-2024 created in 2020 for the period to 2024.
3. The implementation of procedures designed to minimise any potential impact on the charity, should these risks materialise.

The charity maintains a Risk Register which identifies the principal risks as non-financial issues arising from artistic excellence, competition and public perception together with management of the specific risks concerning the loss of core income or failure to reach fundraising targets. The Trustees are satisfied that adequate steps are taken to mitigate these risks and other identified within the Risk Register.

A further key element in the management of financial risk is the setting of a reserve policy and its regular review by Trustees.

Reserve policy

Canterbury Festival, like all arts based charities in the UK, faced significant challenges as a result of the Covid pandemic. However, unlike many similar organisations, it was able to deliver a live programme of Festival events during October 2020 and positioned itself as one of the few arts based organisations in the UK offering a live audience experience.

This achievement was recognised both locally and nationally and enabled the Festival to secure a significant Arts Council grant to help alleviate some of the financial pressures and risk associated with delivering the Festival programme.

The Trustees recognised the potential longer term effects of Covid on arts based charities and consequently undertook a strategic review in January 2021. This helped inform the development of a three year operational plan and budgets designed to bring the organisation into a financial break-even position by March 2024. A full risk assessment of the Festival's principal income and expenditure streams has now been undertaken. This has resulted in the development of a revised reserves policy.

The Policy

As a result of careful stewardship of its resources, Canterbury Festival has built a cash reserve of approximately £550k. This is held in its bank accounts as well as a medium-risk portfolio investment with Rathbones. In line with Charity Commission guidelines, the Festival has completed a full risk assessment of its three year financial projections and has determined that its reserves should be applied as follows:

- 1) The Festival's financial objectives require the organisation to maintain a free cash reserve equivalent to approximately six months of its core operating costs - £150k.
- 2) The Festival recognises the risks associated with future ticket sales and has determined to maintain a designated reserve of £40k to cover any shortfall in ticket income.
- 3) The Festival continues to be heavily reliant on fundraising, sponsorship and grant support. The full impact of the pandemic on its supporters is

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 January 2020 to 31 March 2021

unknown, however it is considered appropriate to designate up to £160k against any shortfall. 4) The new strategic plan recognises the importance of investment in order to ensure the Festival has the necessary technological and other infrastructure to support its future development and operation. Consequently, a maximum of £200k is being designated to reset the charity over the next three years.

By following this policy, Canterbury Festival will ensure that all its resources are applied to support the delivery of its charitable objectives.

Investment policy and objectives

Under the Memorandum and Articles of Association the charity has the power to invest in any way the Trustees feel appropriate.

The Trustees have invested £300,000 of the Unrestricted reserve with Rathbone's Investments. The Trustees have set an ethical approach to the Festival's investment portfolio. It does not wish to:

- Invest directly in companies the major part of whose business is pornography, gambling, tobacco, pay day loans or armaments.
- Invest in pooled investments funds where there is significant exposure to companies the major part of whose business is pornography, gambling, tobacco, pay day loans or armaments.

Objectives and activities

The principal objects of the charity as stated in the Memorandum of Association is to promote, maintain, improve and advance the education of the public in the arts, including the arts of drama, mime, dance, singing, opera and music, ballet, cinema, concert, stage performances and the visual arts generally. The charity promotes the arts in East Kent and in particular organises and runs the Canterbury Festival.

Strategies employed to achieve the charity's objectives are:

1. To engage national and international performing artists covering the range of activities noted as specified in the Articles of Association.
2. Supporting Kent-based artists and performers by promoting their activities.
3. Fostering a greater sense of ownership of the Festival in the region through partnerships.
4. To engage, promote and further develop an educational and outreach programme.
5. Additional creative projects to further develop arts in East Kent.
6. To play a strategically important year-round role supporting and developing the arts in the region.
7. To seek future funding and good financial controls to ensure the sustainability of the Festival.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 January 2020 to 31 March 2021

Achievements and performance

Charitable activities

The Trustees believe the 2020 Festival met the charity's objectives in full.

The Canterbury Festival in 2020 was one of only a handful of arts festivals that took place "live" despite the pandemic. The Festival fortnight fell between two periods of lockdown, and although social distancing, shielding, reluctance of audiences to travel and fear of infection were all factors, the overwhelming reaction to the programme was gratitude, admiration and support - reflected through audience feedback and donations. We explored moving on-line as so many of our peers did, but decided to pursue a live event, with some online elements as back-up.

The programme was made and remade several times as lockdown extended. Events were concentrated in venues large enough to accommodate distancing, the Spiegeltent was stood down for the year, and the Festival artists' contract adapted to mitigate the impact of any unexpected cancellations.

Full Covid safety measures including Track and Trace were designed for all venues and the box office system allowed us to communicate with customers right up until the day of the event. Our refund policy was relaxed, although due to the scarcity of available tickets we were able to resell any that were returned. Only one performance was cancelled in advance of its date due to a company member being at risk of Covid, but no audience members reported infection arising from attending the Festival.

The edited programme and its associated box office income were reduced by 76% but by choosing events across our usual spread of artforms and producing an attractive printed brochure as well as a strong online and in the City presence, the resulting Festival looked confident, credible, and inviting.

For many performers, Canterbury Festival was their only "gig" of the year and several expressed their appreciation for the booking.

The Festival lost funding from two of its most important and longstanding supporters - Canterbury Christ Church University and Canterbury Cathedral. Part of the work this subsidy normally supports is with schools, and colleges but much of this was curtailed due to Covid therefore not missed. The Festival was successful in winning a Covid Recovery Grant of £117,000 from Arts Council England which offset losses for the year.

Public benefit

The Trustees confirm that they have complied with the duties set out in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives of the Charity.

Who used and benefited from our services

4,648 tickets were sold for a total of 58 events with 33 sold out completely. Volunteers were specially trained in Covid safety to work in the Festival's venues. Despite some initial reluctance, all artists and Walk leaders who took part in the Festival expressed pleasure, relief and gratitude that they had done so. For many of them and for our audience, simply having a reason to go out in public was an important step to Lockdown recovery and improved mental wellbeing.

Fundraising activities

A total of £172,296 (2019: £267,523) excluding box office and programme receipts was raised from Vice Presidents' donations and subscriptions, Gift Aid, general donation, corporate membership, special fundraising and sponsorship. A total of £137,100 (2019: £22,641) was raised from grants

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 January 2020 to 31 March 2021

during the period.

Financial review

The statement of financial activity reflects the Festival's aspirations to become a year-round arts promoting organisation and develop its position as the major promoter of international work within East Kent. Projects in addition to the annual October Programme included:

- A series of "Beat This" workshops held at local church halls and community centres, aimed at elderly adults.

- "Heart of the City" , a socially-distanced arts trail for city visitors, working with community groups, charities, artists and schools, with artworks displayed in venues throughout Canterbury.

- 2 days of TEC workshops (teach, educate, create), training arts facilitators to run community workshops, covering safeguarding, lesson planning and creative development. The outcome of these was 20-25 workshops run by the participants for "Catching Lives" clients.

The financial results for the period were satisfactory. The unrestricted Funds before accounting for transfers shows a deficit of £10,060.

Gross income was £437,449 (2019: £632,411).

Total resources expended in the 15-month period were £459,859, compared with £729,184 in the year 2019.

There were unrealised gains of investments of £12,350 (2019: £47,104). There was no realisation of any of these gains during the year.

The total reserves, comprising Restricted and Unrestricted Funds, carried forward at the end of the period were £563,068, compared with £573,128 in the prior period. The Restricted Funds held of £2,430 (2019: £2,430) relate to the successful completion of all outstanding projects and well as £1,500 of deferred income released during the year.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 1 January 2020 to 31 March 2021

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

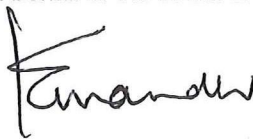
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on^{13 July 2021}..... and signed on behalf of the board of trustees by:



Prof K C Mander
Trustee


Mr H J E Summerfield
Trustee

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust

Period from 1 January 2020 to 31 March 2021

Opinion

We have audited the financial statements of Canterbury Theatre and Festival Trust (the 'charity') for the period ended 31 March 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Period from 1 January 2020 to 31 March 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Period from 1 January 2020 to 31 March 2021

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment.

We also consider the results of our enquiries of management, relating to their own identification and assessment of the risks of irregularities and possible related fraud. This includes reviewing available documentation on their policies and procedures and performing tests of controls to evidence their effectiveness.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit.

Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Period from 1 January 2020 to 31 March 2021

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Canterbury Theatre and Festival Trust *(continued)*

Period from 1 January 2020 to 31 March 2021

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor'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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Collyer (Senior Statutory Auditor)

For and on behalf of
Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Period from 1 January 2020 to 31 March 2021

	Note	Period from 1 Jan 20 to 31 Mar 21			Year to
		Unrestricted funds £	Restricted funds £	Total funds £	31 Dec 19 Total funds £
Income and endowments					
Donations and legacies	5	147,699	–	147,699	98,703
Charitable activities	6	203,603	1,500	205,103	339,843
Fundraising income	7	84,491	–	84,491	193,395
Investment income	8	156	–	156	470
Total income		<u>435,949</u>	<u>1,500</u>	<u>437,449</u>	<u>632,411</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	780	–	780	5,597
Expenditure on charitable activities	10,11	452,164	2,000	454,164	715,804
Other expenditure	12	4,915	–	4,915	7,783
Total expenditure		<u>457,859</u>	<u>2,000</u>	<u>459,859</u>	<u>729,184</u>
Net (gains)/losses on investments	14	(12,350)	–	(12,350)	(47,104)
Net expenditure and net movement in funds		<u>(9,560)</u>	<u>(500)</u>	<u>(10,060)</u>	<u>(49,669)</u>
Reconciliation of funds					
Total funds brought forward		570,198	2,930	573,128	622,797
Total funds carried forward		<u>560,638</u>	<u>2,430</u>	<u>563,068</u>	<u>573,128</u>

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

The notes on pages 19 to 31 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Financial Position

31 March 2021

	Note	31 Mar 21 £	31 Dec 19 £
Fixed assets			
Tangible fixed assets	20	–	2,762
Investments	21	364,177	351,827
		<u>364,177</u>	<u>354,589</u>
Current assets			
Debtors	22	14,311	55,442
Cash at bank and in hand		209,346	188,095
		<u>223,657</u>	<u>243,537</u>
Creditors: amounts falling due within one year	23	<u>24,766</u>	<u>24,998</u>
Net current assets		<u>198,891</u>	<u>218,539</u>
Total assets less current liabilities		<u>563,068</u>	<u>573,128</u>
Net assets		<u>563,068</u>	<u>573,128</u>
Funds of the charity			
Restricted funds		2,430	2,930
Unrestricted funds		560,638	570,198
Total charity funds	27	<u>563,068</u>	<u>573,128</u>

These financial statements were approved by the board of trustees and authorised for issue on 13 July 2021 and are signed on behalf of the board by:


Prof K C Mander
Trustee


Mr H J E Summerfield
Trustee

The notes on pages 19 to 31 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Statement of Cash Flows

Period from 1 January 2020 to 31 March 2021

	31 Mar 21 £	31 Dec 19 £
Cash flows from operating activities		
Net expenditure	(10,060)	(49,669)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	2,762	826
Government grant income	(44,959)	–
Net (gains)/losses on investments	(12,350)	(47,104)
Other interest receivable and similar income	(156)	(470)
Accrued income	(963)	(17,507)
<i>Changes in:</i>		
Trade and other debtors	41,131	21,953
Trade and other creditors	731	(11,273)
Cash generated from operations	(23,864)	(103,244)
Interest received	156	470
Net cash used in operating activities	<u>(23,708)</u>	<u>(102,774)</u>
Cash flows from financing activities		
Government grant income	44,959	–
Net cash from financing activities	<u>44,959</u>	<u>–</u>
Net increase/(decrease) in cash and cash equivalents	21,251	(102,774)
Cash and cash equivalents at beginning of period	188,095	290,869
Cash and cash equivalents at end of period	<u>209,346</u>	<u>188,095</u>

The notes on pages 19 to 31 form part of these financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 January 2020 to 31 March 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 8 Orange Street, Canterbury, Kent, CT1 2JA, United Kingdom.

Change of year-end

The Trustees' have made the decision to extend the year-end from 31 December 2020 to 31 March 2021. As a result, the financial statements show a 15 month period compared to a 12 month period in the comparative information.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

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.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

As part of their going concern review the Trustees have considered the impact of COVID-19 on the Festival's plans. By taking advantage of support available from the government, the Trust's reserves, and by making appropriate contingencies in relation to the two-week Festival, the Trustees are confident that they will have sufficient available funds to support the charity from 2022 and beyond. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Investment valuations:

Investment valuations are obtained by trustees from the investment managers, who utilise the closing quoted market price information available at the balance sheet date.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvement	-	Over the remaining term of the lease
Fixtures and fittings	-	25% straight line
Marketing & promotional equipment	-	33.33% and 20% straight line
Computer Equipment	-	25% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Government grants

Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

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 transactions value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations	94,791	94,791	93,173	93,173
Gift Aid	7,949	7,949	5,530	5,530
Grants				
Government grant income	44,959	44,959	—	—
	<u>147,699</u>	<u>147,699</u>	<u>98,703</u>	<u>98,703</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Box office/other events	68,003	–	68,003
Nightly programme sales	–	–	–
Grants	135,600	1,500	137,100
	<u>203,603</u>	<u>1,500</u>	<u>205,103</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Box office/other events	313,742	–	313,742
Nightly programme sales	3,460	–	3,460
Grants	22,141	500	22,641
	<u>339,343</u>	<u>500</u>	<u>339,843</u>

7. Fundraising income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2019 £
Fundraising	2,449	2,449	3,287	3,287
Sponsorship	56,740	56,740	151,000	151,000
Subscriptions	10,367	10,367	14,533	14,533
Advertising	6,205	6,205	13,355	13,355
Rental & other income	8,730	8,730	11,220	11,220
	<u>84,491</u>	<u>84,491</u>	<u>193,395</u>	<u>193,395</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	156	156	470	470

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2019 £
Fundraising costs	780	780	5,597	5,597

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Promotion of the arts	442,976	2,000	444,976
Support costs	9,188	–	9,188
	<u>452,164</u>	<u>2,000</u>	<u>454,164</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Promotion of the arts	705,618	–	705,618
Support costs	10,186	–	10,186
	<u>715,804</u>	<u>–</u>	<u>715,804</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2019 £
Promotion of the arts	444,976	–	444,976	705,618
Governance costs	–	9,188	9,188	10,186
	<u>444,976</u>	<u>9,188</u>	<u>454,164</u>	<u>715,804</u>

12. Other expenditure

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2019 £
Unrecoverable VAT	2,543	2,543	5,882	5,882
Bank and finance charges	2,372	2,372	1,901	1,901
	<u>4,915</u>	<u>4,915</u>	<u>7,783</u>	<u>7,783</u>

13. Taxation

The Canterbury Theatre and Festival trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within the categories covered by Chapter 3 Part 11 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.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

14. Net (gains)/losses on investments

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Gains/(losses) on investments	<u>12,350</u>	<u>12,350</u>	<u>47,104</u>	<u>47,104</u>

15. Net expenditure

Net expenditure is stated after charging/(crediting):

	31 Mar 21	31 Dec 19
	£	£
Depreciation of tangible fixed assets	<u>2,762</u>	<u>826</u>

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

16. Auditors remuneration

	Period from 1 Jan 20 to 31 Mar 21	Year to 31 Dec 19
	£	£
Fees payable for the audit of the financial statements	<u>5,600</u>	<u>5,000</u>

17. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Period from 1 Jan 20 to 31 Mar 21	Year to 31 Dec 19
	£	£
Wages and salaries	278,272	236,763
Social security costs	24,199	20,728
Employer contributions to pension plans	<u>12,823</u>	<u>10,572</u>
	<u>315,294</u>	<u>268,063</u>

The average head count of employees during the period was 7 (2019: 7). The average number of full-time equivalent employees during the period is analysed as follows:

	31 Mar 21 No.	31 Dec 19 No.
Administration	6	6
Marketing	<u>1</u>	<u>1</u>
	<u>7</u>	<u>7</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

17. Staff costs *(continued)*

The number of employees whose remuneration for the year fell within the following bands, were:

	31 Mar 21	31 Dec 19
	No.	No.
£60,000 to £69,999	<u>1</u>	<u>1</u>

18. Trustee remuneration and expenses

The Trustees and certain other senior employees who have authority and responsibility for planning, directing and controlling the activities of the charity, are considered to be key management personnel. No Trustees receive remuneration during the period (2019: £Nil) and the total salaries received by key management personnel during the year was £174,660 (2019: £137,652). In addition, employer pension contributions amount to £8,687 (2019: £6,846) and employer national insurance contributions amount to £19,575 (2019: £15,446).

19. Trustee indemnity insurance

During the year the Charity paid £586 (2019: £586) for Trustee Liability Insurance as part of a complete insurance policy to cover neglect of defaults of its Trustees and Officers.

20. Tangible fixed assets

	Leasehold fixtures and improvements £	Marketing & promotional fittings £	equipment £	Computer equipment £	Total £
Cost					
At 1 January 2020 and 31 March 2021	<u>45,284</u>	<u>2,116</u>	<u>6,500</u>	<u>20,399</u>	<u>74,299</u>
Depreciation					
At 1 January 2020	43,735	2,116	6,500	19,186	71,537
Charge for the period	<u>1,549</u>	<u>–</u>	<u>–</u>	<u>1,213</u>	<u>2,762</u>
At 31 March 2021	<u>45,284</u>	<u>2,116</u>	<u>6,500</u>	<u>20,399</u>	<u>74,299</u>
Carrying amount					
At 31 March 2021	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
At 31 December 2019	<u>1,549</u>	<u>–</u>	<u>–</u>	<u>1,213</u>	<u>2,762</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

21. Investments

	Listed investments £
Cost or valuation	
At 1 January 2020	351,827
Additions	—
Fair value movements	12,350
At 31 March 2021	<u>364,177</u>
Impairment	
At 1 January 2020 and 31 March 2021	
Carrying amount	
At 31 March 2021	<u>364,177</u>
At 31 December 2019	<u>351,827</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Financial assets are measured at fair value on the date of the balance sheet.

22. Debtors

	31 Mar 21 £	31 Dec 19 £
Trade debtors	—	6,567
Prepayments and accrued income	660	3,272
Other debtors	13,651	45,603
	<u>14,311</u>	<u>55,442</u>

23. Creditors: amounts falling due within one year

	31 Mar 21 £	31 Dec 19 £
Trade creditors	1,456	1,991
Accruals and deferred income	13,757	12,003
Social security and other taxes	5,770	6,197
Other creditors	3,783	4,807
	<u>24,766</u>	<u>24,998</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

24. Deferred income

	31 Mar 21	31 Dec 19
	£	£
At 1 Jan 20	5,333	—
Amount released to income	(5,333)	—
Amount deferred in period	8,050	5,333
At 31 Mar 21	<u>8,050</u>	<u>5,333</u>

25. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £12,823 (2019: £10,572).

26. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	31 Mar 21	31 Dec 19
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>44,959</u>	<u>—</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

27. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2021 £
General funds	568,736	432,949	(457,859)	1,462	12,350	557,638
Designated funds - Orange Street maintenance fund	1,462	-	-	(1,462)	-	-
Designated funds - Grants	-	3,000	-	-	-	3,000
	<u>570,198</u>	<u>435,949</u>	<u>(457,859)</u>	<u>-</u>	<u>12,350</u>	<u>560,638</u>

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2019 £
General funds	618,905	631,911	(729,184)	-	47,104	568,736
Designated funds - Orange Street maintenance fund	1,462	-	-	-	-	1,462
Designated funds - Grants	-	-	-	-	-	-
	<u>620,367</u>	<u>631,911</u>	<u>(729,184)</u>	<u>-</u>	<u>47,104</u>	<u>570,198</u>

Designated funds

Orange Street Maintenance Fund

The board has decided that this designated fund is no longer required and as such all funds have been transferred to general funds.

Grants

The board has designated the grants that it had received for specific projects.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

27. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Jan 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2021
	£	£	£	£	£	£
Restricted funds	<u>2,930</u>	<u>1,500</u>	<u>(2,000)</u>	<u>—</u>	<u>—</u>	<u>2,430</u>

	At 1 Jan 2019	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2019
	£	£	£	£	£	£
Restricted funds	<u>2,430</u>	<u>500</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,930</u>

Restricted funds

Restricted funds in respect of Kent Arts Investment and the Visual Evaluation of Made in Kent were received during 2017 and used for grants to artists.

28. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	—	—	—
Investments	364,177	—	364,177
Current assets	221,227	2,430	223,657
Creditors less than 1 year	(24,766)	—	(24,766)
Net assets	<u>560,638</u>	<u>2,430</u>	<u>563,068</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	2,762	—	2,762
Investments	351,827	—	351,827
Current assets	240,607	2,930	243,537
Creditors less than 1 year	(24,998)	—	(24,998)
Net assets	<u>570,198</u>	<u>2,930</u>	<u>573,128</u>

29. Analysis of changes in net debt

	At 1 Jan 2020 £	Cash flows £	At 31 Mar 2021 £
Cash at bank and in hand	<u>188,095</u>	<u>21,251</u>	<u>209,346</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Period from 1 January 2020 to 31 March 2021

30. Related parties

i) During the year, the trustees and related parties donated £8,808 (2019: £17,658) to the charity.

ii) As noted in the Report of the Trustees, Canterbury Theatre and Festival Trust has a close relationship with Canterbury Festival Foundation. The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust. From the excess of income over expenditure the Foundation made a donation totalling £45,000 (2019: £45,000) to the Canterbury Theatre and Festival Trust in order to support its charitable activities for the period to March 2021.

iii) The registered office of the Canterbury Theatre and Festival Trust is 8 Orange Street, Canterbury, Kent, CT1 2JA. This building is owned by the Canterbury Festival Foundation, a charity set up in order to aid and support the Canterbury Theatre and Festival Trust in carrying out its charitable activities. No rent is charged for the occupation or use of the building.

31. Controlling party

The charity is a company limited by guarantee and was controlled throughout the year by the Trustees.

Canterbury Theatre and Festival Trust
Company Limited by Guarantee
Management Information
Period from 1 January 2020 to 31 March 2021

The following pages do not form part of the financial statements.

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Detailed Statement of Financial Activities

Period from 1 January 2020 to 31 March 2021

	Period from 1 Jan 20 to 31 Mar 21 £	Year to 31 Dec 19 £
Income and endowments		
Donations and legacies		
Donations	94,791	93,173
Gift Aid	7,949	5,530
Government grant income	44,959	—
	<u>147,699</u>	<u>98,703</u>
Charitable activities		
Box office/other events	68,003	313,742
Nightly programme sales	—	3,460
Grants	137,100	22,641
	<u>205,103</u>	<u>339,843</u>
Fundraising income		
Fundraising	2,449	3,287
Sponsorship	56,740	151,000
Subscriptions	10,367	14,533
Advertising	6,205	13,355
Rental & other income	8,730	11,220
	<u>84,491</u>	<u>193,395</u>
Investment income		
Bank interest receivable	156	470
	<u>156</u>	<u>470</u>
Total income	<u>437,449</u>	<u>632,411</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Detailed Statement of Financial Activities *(continued)*

Period from 1 January 2020 to 31 March 2021

	Period from 1 Jan 20 to 31 Mar 21 £	Year to 31 Dec 19 £
Expenditure		
Costs of other trading activities		
Fundraising costs	780	5,597
Expenditure on charitable activities		
Artist, venue, technical and box office costs	76,085	321,047
Nightly programme costs	–	4,447
Education costs	7,213	17,894
Wages and salaries	278,272	236,763
Employers' NIC	24,199	20,728
Pension costs	12,823	10,572
Rates and water	5,320	6,728
Insurance	3,598	4,950
Office Costs	6,426	9,360
Marketing costs	14,085	14,072
Other staff & misc costs	2,762	826
Artist, venue, technical and box office costs	20,946	59,910
Nightly programme costs	2,435	8,507
	<u>454,164</u>	<u>715,804</u>
Other expenditure		
Unrecoverable VAT	2,543	5,882
Bank and finance charges	2,372	1,901
	<u>4,915</u>	<u>7,783</u>
Total expenditure	<u>459,859</u>	<u>729,184</u>
Net (gains)/losses on investments		
Gains/(losses) on investments	(12,350)	(47,104)
Net expenditure	<u>(10,060)</u>	<u>(49,669)</u>

Canterbury Theatre and Festival Trust

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Period from 1 January 2020 to 31 March 2021

	Period from 1 Jan 20 to 31 Mar 21 £	Year to 31 Dec 19 £
Costs of other trading activities		
Fundraising costs		
Fundraising costs	780	5,597
	<u>780</u>	<u>5,597</u>
Costs of other trading activities	<u>780</u>	<u>5,597</u>
Expenditure on charitable activities		
Promotion of the arts		
<i>Activities undertaken directly</i>		
Artist, venue, technical and box office costs	76,085	321,047
Nightly programme costs	—	4,447
Education costs	7,213	17,894
Wages and salaries	278,272	236,763
Employers' NIC	24,199	20,728
Pension costs	12,823	10,572
Rates and water	5,320	6,728
Insurance	3,598	4,950
Office Costs	14,085	14,072
Marketing costs	20,946	59,910
Other staff & misc costs	2,435	8,507
	<u>444,976</u>	<u>705,618</u>
Governance costs		
Governance costs - accountancy fees	826	4,360
Governance costs - audit fees	5,600	5,000
Governance costs - depreciation	2,762	826
	<u>9,188</u>	<u>10,186</u>
Expenditure on charitable activities	<u>454,164</u>	<u>715,804</u>