

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

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

Year ended 31 March 2024

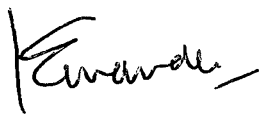
But turning to slightly bumpier terrain, the highest impacting risk on the Festival's risk register is that the Festival Director will resign. It had to happen at some point, and after 20 years in post, Rosie Turner retired after the 2023 Festival and was given a rousing sendoff that rightly recognised 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

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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

Bankers

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

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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.

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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.

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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.

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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.

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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.

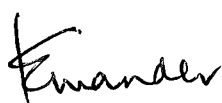
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies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

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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

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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.

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

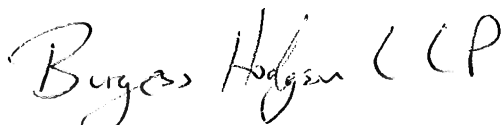
Year ended 31 March 2024

- 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

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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

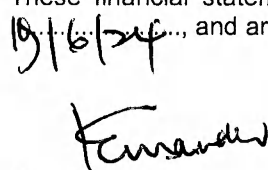
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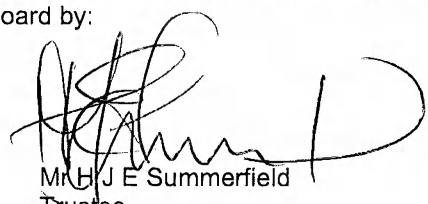
Statement of Financial Position

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
		202,748	208,235
Creditors: amounts falling due within one year	23	54,016	64,540
Net current assets		148,732	143,695
Total assets less current liabilities		541,319	504,140
Net assets		541,319	504,140
Funds of the charity			
Unrestricted funds		541,319	504,140
Total charity funds	26	541,319	504,140

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	(19,617)	12,903
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

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

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	32,142	32,142	(17,779)	(17,779)

15. Auditors remuneration

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

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	10,711	10,590
	<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 No.	2023 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:

	2024 No.	2023 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.