



**Registered number: 01592012**

**Charity number: 512201**

## **Lichfield Festival Limited**

Trustees' report and financial statements

for the year ended 31 December 2022

**Lichfield Festival Limited**  
**(A company limited by guarantee)**

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# **Lichfield Festival Limited**

**(A company limited by guarantee)**

## **Reference and administrative details of the company, its trustees and advisers for the year ended 31 December 2022**

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<b>Patrons</b>	Emma Bridgewater Julian Lloyd Webber Michael Fabricant MP Tony Hadley
<b>President</b>	Ian Dudson
<b>Vice Presidents</b>	Mrs Frances Lang Mrs George Inge-Innes-Lillingston Lord & Lady Bamford The Hon & Mrs Hugh Gibson
<b>Trustees</b>	Helen Wiser, Chair Adrienne Swallow Andrew Fletcher (resigned 23 March 2022) Claire Lue, Treasurer Claire Tetley Colin Walker David Shaw Dr Kate Romano Raymond Mansell Simon Warburton
<b>Company registered no.</b>	01592012
<b>Charity registered number</b>	512201
<b>Registered office</b>	Donegal House Bore Street Lichfield Staffordshire WS13 6NE
<b>Secretary</b>	Colin Ablitt
<b>Festival staff</b>	Festival Director - Damian Thantrey Head of Development - Caroline King Operations Manager - Natalie Haslam
<b>Accountant</b>	Clear Accounting Lichfield Limited 31 London Road Lichfield WS14 9EP

**Lichfield Festival Limited**  
**(A company limited by guarantee)**

**Reference and administrative details of the company, its trustees and advisers (continued)**  
**for the year ended 31 December 2022**

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<b>Independent examiner</b>	Mark Gurney FCCA Dains Audit Limited 15 Colmore Row Birmingham B3 2BH
<b>Bankers</b>	National Westminster Bank Plc 47 Market Street Lichfield Staffordshire WS13 6LE  HSBC Bank Plc 49 Market Street Lichfield Staffordshire WS13 6LA

# **Lichfield Festival Limited**

**(A company limited by guarantee)**

## **Chair's statement for the year ended 31 December 2022**

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The chair presents her statement for the period.

### **Overview**

2022 was a very exciting and busy year for Lichfield Festival encompassing a Literature Festival, our 40th Anniversary Festival, the second Chamber Music Weekend and a joyous Christmas Concert by the Grimethorpe Colliery Band.

All four events contributed to the bottom line and the Board are very pleased to report a surplus of £32,167 at the year end, bringing the reserves to £114,817. Although our reserves are much improved, we have not yet met our reserves policy and we therefore move forward with an enthusiastic but cautious approach in such volatile times.

Highlights of the 40th anniversary celebrations included a 40-voice concert featuring Thomas Tallis's masterpiece Spem in alium alongside a new commission From Silence from British composer Thomas Hyde, with text by renowned author Alexander McCall Smith, opening concerts by the Brodsky Quartet and our Patron Tony Hadley and the very successful, inaugural Midlands Choir of the Year competition. The Young Artist Series goes from strength to strength and in terms of free, community events we offered a mass-participation Day of Dance in collaboration with Fuse and the return of the Festival Fireworks on the final weekend.

The Chamber Festival, a very welcome addition to the Festival calendar, is picking up traction and will be a permanent Autumnal fixture at the Hub at St Mary's going forward.

The Board would like to thank Festival Director Damian Thantrey for his innovation, ingenuity and hard work which continues to deliver exceptional results both artistically and financially.

We are very grateful to our President, Ian Dudson who hosted a reception for Founder and Millennium members ahead of the 40th anniversary celebrations, and we thank our Patrons for the weight of their influence and good name. Special thanks go to Michael Fabricant MP for helping to secure Stephen Fry's involvement in our children's story-writing competition this Summer.

The Lichfield Festival Friends remain the bedrock of our support through their association membership fees, fundraising, sponsorship and as committed audience members and volunteers.

### **The Board**

There have been no changes to the Board during 2022 (with the exception of the resignation of Andrew Fletcher, as highlighted in my prior year statement), but recognising the need to keep pace with changing times, we are actively seeking new Trustees to strengthen our skill set and bring diversity and a fresh perspective to the table.

### **2023 and beyond**

McArthur Glen joined Ray and Jenny Mansell in 2022 as Partner Sponsors, and we are delighted that Caroline King, Head of Business Development, has secured their support for 2023 and 2024. Waterstones, who opened a retail outlet in Lichfield in the Summer, will also be working with us to help promote the Literature Festival and run the Festival Bookshop.

The Arts play an essential role in the mental health and well-being of society and despite the miserable economic outlook and the crisis in the Arts, we are well-placed and determined to deliver joy and inspiration in the decade ahead to all corners of the community.



**Helen Wiser, Chair**  
**22 March 2023**

# **Lichfield Festival Limited**

**(A company limited by guarantee)**

## **Trustees' report for the year ended 31 December 2022**

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The Trustees present their annual report together with the independently examined financial statements of Lichfield Festival Limited for the year ended 31 December 2022. As the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

### **Objectives and activities**

#### **a) Policies and objectives**

The charity's main objective is to promote, inspire, engage and advance education in the Arts through the production of Festivals and like events – currently an annual multi arts Summer Festival, a Spring Literature Festival, a Chamber Music Weekend in the Autumn, and a dedicated Christmas Concert in December.

### **Achievements and performance**

#### **a) Review of activities**

During the year, there was an increase in total income of £76,257, which arose from an increase in charitable activities, in part due to the continued easing of restrictions imposed around the Covid-19 crisis, plus the introduction of a new Christmas event. Expenditure was increased from the previous year by £112,118, again due to an increase in activities, and as such the net effect was that income exceeded expenditure by £32,167, resulting in an increase in total reserves from £82,650 to £114,817.

#### **b) Key financial performance indicators**

The Trustees use the following key performance indicators to measure and manage the performance of the company's individual activities:

- Percentage of seats sold for individual events
- Percentage of seats sold for individual venues
- Ratio of tickets sold to artists' fees
- Profitability of individual festivals (Summer, Literature, Chamber and Christmas)

#### **c) Public benefit**

The Trustees have each received copies of the Charity Commission Guidelines on Public Benefit and this now forms part of the Induction Pack for New Trustees.

The Public Benefit provided by the charity includes:

- Increasing the depth and quality of people's cultural experiences
- Increasing opportunities for youth through a Young Artist series
- Creating a wide-ranging Learning and Participation programme for local and wider regional community groups and schools

The beneficiaries are all members of the public and access is enabled as follows:

- Through concessionary ticket schemes
- Without charge to free events
- All areas of the festival are wheelchair accessible

# **Lichfield Festival Limited**

**(A company limited by guarantee)**

## **Trustees' report (continued)**

### **for the year ended 31 December 2022**

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#### **Finance Review**

##### **a) Going concern**

Covid-19 has undoubtedly had a significant impact upon the operations of the company throughout previous financial periods, however, the company has been able to resume normal operational activities without restriction throughout the current financial period. The company has a strong cash balance, and a robust 12 month forecasting provision. The company's cost base in a normal operational year includes a small percentage of fixed costs, which are able to be covered by the year end cash balance. After consideration of these factors, the Trustees have reasonable expectation that the company has more than adequate resources to continue in operational existence for the next 12 months.

##### **b) Reserves policy**

At 31 December 2022 there were reserves of £114,817. The reserves were all unrestricted and formed the basis of working capital going forward. The level of reserves at the year end are not considered adequate in the long term. The Trustees have established the level of free reserves (that is, those funds that are freely available) that the charity ought to have, and considers this to be £189,832 (in line with the reserves policy, which requires the level of reserves to cover 100% of forecast fixed costs for the next 12 months, and 25% of forecast variable costs for the next 12 months).

The current level of reserves is £114,817 (2021: £82,650). It is the Trustees' view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility over the course of the forthcoming year, particularly in light of restrictions faced in previous financial periods. Planned future income and an increased breadth of events, alongside constant control of costs, will ensure that the charity will continue to build sufficient resources to meet its charitable objectives for the foreseeable future.

##### **c) Change in accounting reference date**

Due to restrictions placed upon operational activities as part of the Covid-19 pandemic in previous financial periods, a decision was taken to change the prior accounting period in line with the calendar year, in order that financial periods remained as comparable as possible. These financial statements therefore reflect the 12 month calendar year, however, comparative figures reflect a 16 month period.

#### **Structure, governance and management**

##### **a) Constitution**

The principal object of the company is to promote The Lichfield Festival and associated events. The company is registered as a company limited by guarantee and was incorporated on 16 October 1981. The company was registered as a charity on 7 January 1982 with the charity number 512201. The company is governed under its Memorandum of Association and Articles of Association dated 16 October 1981, and amended 22 March 2004.

##### **b) Method of appointment or election of Trustees**

Trustees are appointed from amongst the membership of the company at the AGM. The Trustees have the power to appoint additional Trustees to fill casual vacancies, but only retain office until the next AGM at which time they will then be eligible for re-election in agreement with the Articles of Association. One third of the directors retire at the AGM, but are eligible for re-election.

# **Lichfield Festival Limited**

**(A company limited by guarantee)**

## **Trustees' report (continued)**

### **for the year ended 31 December 2022**

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#### **c) Policies adopted for the induction and training of Trustees**

The induction training for newly appointed Trustees comprises an initial meeting with the Board of Trustees at which a pack is provided. This includes a copy of the governing document, a copy of the most recent annual report and financial statements, a copy of the minutes of previous Trustee meetings and a copy of the Charity Commissioners guidance "The Essential Trustee". Periodically, the core leadership group of the company (including existing and newly appointed Trustees) attended governance training days, which are beneficial.

#### **d) Pay policy for senior staff**

The Trustees are responsible for providing direction to the charity and this work is carried out free of charge for both time and expenses. The Festival Director is engaged on an annual basis at market rates to design the Festival programme. The Trustees aim to pay a fair salary to attract and retain skilled and expert staff. Salaries and benefits are designed to be competitive within the charitable sector and proportionate to the complexity of each role. During the previous financial period, the Board of Trustees formed an HR Sub-Committee and a policy was created to formalise pay reviews as part of the appraisal process.

#### **e) Organisational structure and decision making**

The Board of Trustees comprises not less than 3 and not more than 15 members. The Board meets at least quarterly with separate sub-committees of relevant Trustees covering Finance, Programming, HR and Fundraising.

A professional team, led by the Festival Director, carry out the daily operations of the Festival, reporting directly to the Chair and Board of Trustees. Throughout the year, and especially during the Festival, the company benefits from the considerable support of the Lichfield Festival Friends (previously known as Lichfield Festival Association) and the assistance of a substantial number of volunteers.

#### **f) Risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The Trustees maintain a Risk Register which is reviewed regularly, with high risk or time sensitive items flagged for discussion at Board Meetings.

#### **Plans for future periods**

##### **a) Future developments**

Over the next year, the Board plans to maintain the current level of reserves through continuous and rigorous oversight, and continue to raise the Festival's profile to maintain funding and produce a programme that demonstrates both commercial appeal and artistic integrity. During the current year, a successful Christmas Concert was introduced to the Festival's repertoire, and this is planned to continue into future periods. Further information can be found in the Chair's statement.



# **Lichfield Festival Limited**

**(A company limited by guarantee)**

## **Trustees' report (continued)** **for the year ended 31 December 2022**

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### **Trustees' responsibilities statement**

The Trustees (who are also directors of Lichfield Festival Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

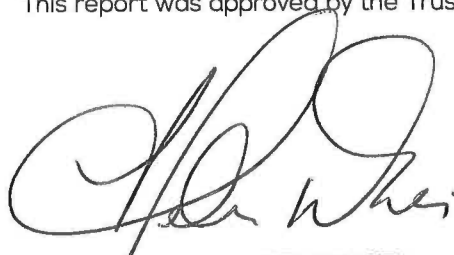
- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP 2019 (FRS 102)
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any 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 charitable company will continue in operation

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

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

In preparing this report, the Trustees have taken advantage of the small companies exemption provided by Section 415A of the Companies Act 2006.

This report was approved by the Trustees on 22 March 2023 and signed on their behalf by:



**Helen Wiser, Chair**

# **Lichfield Festival Limited**

**(A company limited by guarantee)**

## **Independent examiner's report to the members of Lichfield Festival Limited for the year ended 31 December 2022**

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### **Independent Examiner's Report to the Trustees of Lichfield Festival Limited**

I report to the charity trustees on my examination of the accounts of the company for the period ended 31 December 2022 which are set out on pages 9 to 21.

#### **Responsibilities and basis of report**

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

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

#### **Independent examiner's statement**

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

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

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



**Mark Gurney FCCA**

Dains Audit Limited  
Birmingham

Date: 22 March 2023

**Lichfield Festival Limited**  
**(A company limited by guarantee)**

**Statement of financial activities**  
**(Incorporating income and expenditure account)**  
**for the year ended 31 December 2022**

	Note	Unrestricted funds Year ended 31 Dec 2022 £	Restricted funds Year ended 31 Dec 2022 £	Total funds Year ended 31 Dec 2022 £	Total funds 16 month period ended 31 Dec 2021 £
<b>Income from:</b>					
Donations and legacies	2	212,082	8,309	220,391	210,799
Charitable activities	3	201,629	-	201,629	134,964
<b>Total income</b>		<b>413,711</b>	<b>8,309</b>	<b>422,020</b>	<b>345,763</b>
<b>Expenditure on:</b>					
Charitable activities	4, 5, 6	381,544	8,309	389,853	277,735
<b>Total expenditure</b>		<b>381,544</b>	<b>8,309</b>	<b>389,853</b>	<b>277,735</b>
<b>Net movement in funds</b>		<b>32,167</b>	<b>-</b>	<b>32,167</b>	<b>68,028</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		82,650	-	82,650	14,621
<b>Total funds carried forward</b>	13	<b>114,817</b>	<b>-</b>	<b>114,817</b>	<b>82,650</b>

All activities relate to continuing operations.

The notes on pages 12 to 21 form part of these financial statements.

**Lichfield Festival Limited**  
**(A company limited by guarantee)**  
**Registered number: 01592012**

**Balance sheet**  
**as at 31 December 2022**

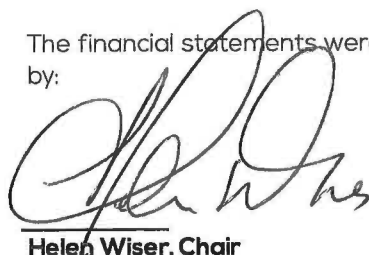
		<b>31 December</b>		<b>31 December</b>	
		<b>2022</b>		<b>2021</b>	
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	9		<b>158</b>		98
<b>Current assets</b>					
Debtors	10	<b>8,347</b>		34,819	
Cash at bank and in hand	15	<b>173,661</b>		100,151	
		<b>182,008</b>		134,970	
<b>Creditors</b> (amounts falling due within 1 year)	11	<b>(67,349)</b>		(52,418)	
<b>Net current assets</b>			<b>114,817</b>		82,650
<b>Net assets</b>			<b>114,817</b>		82,650
<b>Charity funds</b>					
Unrestricted funds	12		<b>114,817</b>		82,650
Restricted funds	12		-		-
<b>Total funds</b>			<b>114,817</b>		82,650

For the year ended 31 December 2022, the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with Section 476 of the Companies Act 2006.
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

The financial statements were approved by the Trustees on 22 March 2023 and signed on their behalf by:



**Helen Wiser, Chair**

The notes on pages 12 to 21 form part of these financial statements.

**Lichfield Festival Limited**  
**(A company limited by guarantee)**

**Cash flow statement**  
**for the year ended 31 December 2022**

	<b>Note</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	13	<b>73,637</b>	53,595
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<b>(128)</b>	(122)
<b>Net cash used in investing activities</b>		<b>(128)</b>	(122)
<b>Change in cash and cash equivalents in the year</b>		<b>73,510</b>	53,473
Cash and cash equivalents brought forward		<b>100,151</b>	46,678
<b>Cash and cash equivalents carried forward</b>	14	<b>173,661</b>	100,151

# **Lichfield Festival Limited**

## **(A company limited by guarantee)**

### **Notes to the financial statements for the year ended 31 December 2022**

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#### **General information**

Lichfield Festival Limited is a charitable company registered in England and Wales. The address of the registered office is given in the reference and administration details on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed in the Trustees' Report.

#### **1. Accounting policies**

##### **11 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

##### **12 Change in accounting period**

During the previous financial period, the company changed its reporting date to 31 December (previously 31 August). The comparative accounting period is therefore longer than one year, and covers the period from 1 September 2020 to 31 December 2021.

The reasons for the change in accounting period are highlighted in the Finance Review of the Trustees' Report on page 5.

Comparative amounts presented in the financial statements are therefore not entirely comparable given the differing lengths of the periods which they cover.

##### **13 Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. For this reason they continue to adopt the going concern basis in preparing the financial statements.

##### **14 Company status**

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 company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

# **Lichfield Festival Limited**

## **(A company limited by guarantee)**

### **Notes to the financial statements (continued)**

#### **for the year ended 31 December 2022**

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#### **1 Accounting policies (continued)**

#### **15 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are only available for use in furtherance of the specific purpose for which they were given.

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

#### **16 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities are recognised when the company has control over the item, and conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised. Please refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

# **Lichfield Festival Limited**

## **(A company limited by guarantee)**

### **Notes to the financial statements (continued)**

#### **for the year ended 31 December 2022**

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#### **1. Accounting policies (continued)**

##### **1.6 Income (continued)**

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent that goods have been provided or on completion of the service.

##### **1.7 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out by the office.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

##### **1.8 Tangible fixed assets and depreciation**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amount are recognised as impairments. Impairment losses are recognised in the 'Statement of financial activities (incorporating income and expenditure)' account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture, fittings and equipment, 33% straight line

##### **1.9 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.



# **Lichfield Festival Limited**

**(A company limited by guarantee)**

## **Notes to the financial statements (continued)**

### **for the year ended 31 December 2022**

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#### **1 Accounting policies (continued)**

##### **1.10 Debtors**

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

##### **1.11 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of 3 months or less from the date of acquisition or opening of the deposit or similar account.

##### **1.12 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probably that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or amount it has received as advanced payments for the goods or services it must provide.

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

##### **1.13 Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Lichfield Festival Limited**  
(A company limited by guarantee)

**Notes to the financial statements (continued)**  
**for the year ended 31 December 2022**

**2. Income from donations and legacies**

	<b>Unrestricted funds Year ended 31 Dec 2022 £</b>	<b>Restricted funds Year ended 31 Dec 2022 £</b>	<b>Total funds Year ended 31 Dec 2022 £</b>	<b>Total funds 16 month period ended 31 Dec 2021 £</b>
Sponsorship and donations	<b>191,101</b>	<b>-</b>	<b>191,101</b>	129,208
Grants and public bodies	<b>20,981</b>	<b>8,309</b>	<b>29,290</b>	81,591
<b>Total donations and legacies</b>	<b>212,082</b>	<b>8,309</b>	<b>220,391</b>	210,799

In 2021, of the total income from donations and legacies, £175,653 was to unrestricted funds, and £35,146 to restricted funds.

**3. Income from charitable activities**

	<b>Unrestricted funds Year ended 31 Dec 2022 £</b>	<b>Unrestricted funds 16 month period ended 31 Dec 2021 £</b>
Ticket sales	<b>177,083</b>	111,701
Sale of merchandise and other fundraising	<b>24,546</b>	23,263
	<b>201,629</b>	134,964

In 2021, of the total income from charitable activities, £134,964 was to unrestricted funds.

**4. Analysis of resources expended by activities**

	<b>Activities undertaken directly Year ended 31 Dec 2022 £</b>	<b>Support costs Year ended 31 Dec 2022 £</b>	<b>Total Year ended 31 Dec 2022 £</b>	<b>Total 16 month period ended 31 Dec 2021 £</b>
Festivals and events	<b>319,946</b>	<b>69,907</b>	<b>389,853</b>	277,735

**Lichfield Festival Limited**  
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**Notes to the financial statements (continued)**  
**for the year ended 31 December 2022**

**5. Direct costs**

	Unrestricted funds Year ended 31 Dec 2022 £	Restricted funds Year ended 31 Dec 2022 £	Total Year ended 31 Dec 2022 £	Total 16 month period ended 31 Dec 2021 £
Artist fees	118,947	-	118,947	82,939
Event costs	134,762	8,309	143,071	85,944
Irrecoverable VAT	20,342	-	20,342	12,878
Wages and salaries	36,960	-	36,960	34,525
Pension contributions	558	-	558	361
Depreciation	68	-	68	24
Total direct costs	311,637	8,309	319,946	216,671

In 2021, of the total direct costs, £191,849 was incurred in respect of unrestricted funds. £24,822 was incurred through restricted funds.

**6. Support costs**

	Unrestricted funds Year ended 31 Dec 2022 £	Restricted funds Year ended 31 Dec 2022 £	Total Year ended 31 Dec 2022 £	Total 16 month period ended 31 Dec 2021 £
Establishment expenses	15,502	-	15,502	10,871
Donations to local charities	25	-	25	-
Consultancy fees	47,850	-	47,850	43,067
Governance costs	6,530	-	6,530	7,126
	69,907	-	69,907	61,064

In 2021, of the total support costs, £50,740 was incurred in respect of unrestricted funds. £10,324 was incurred through restricted funds.

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**Notes to the financial statements (continued)**  
**for the year ended 31 December 2022**

**7. Net incoming resources / (resources expended)**

This is stated after charging:

	<b>Year ended 31 Dec 2022 £</b>	16 month period ended 31 Dec 2021 £
Depreciation of tangible fixed assets owned by the charity	<b>68</b>	24
Independent examiner's fee	<b>1,975</b>	1,900

**8. Staff costs**

Staff costs were as follows:

	<b>Year ended 31 Dec 2022 £</b>	16 month period ended 31 Dec 2021 £
Wages and salaries	<b>36,960</b>	34,525
Pension costs	<b>558</b>	361
	<b>37,518</b>	34,886

The average number of persons employed by the company during the period was as follows:

	<b>Year ended 31 Dec 2022 No.</b>	16 month period ended 31 Dec 2021 No.
Festival staff	<b>3</b>	3

No employee received remuneration amounting to more than £60,000 in either period.

**Lichfield Festival Limited**  
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**Notes to the financial statements (continued)**  
**for the year ended 31 December 2022**

**9. Tangible fixed assets**

	Furniture, fittings and equipment £
<b>Cost</b>	
At 31 December 2021	8,948
Additions	128
At 31 December 2022	<b>9,076</b>
<b>Depreciation</b>	
At 31 December 2021	8,850
Charge for the period	68
At 31 December 2022	<b>8,918</b>
<b>Net book value</b>	
At 31 December 2022	<b>158</b>
At 31 December 2021	98

**10. Debtors**

	31 Dec 2022 £	31 Dec 2021 £
Trade debtors	-	30,210
Prepayments and accrued income	<b>8,347</b>	4,608
	<b>8,347</b>	34,819

**11. Creditors: (amounts falling due within one year)**

	31 Dec 2022 £	31 Dec 2021 £
Trade creditors	<b>459</b>	-
Other taxation and social security	<b>750</b>	403
Other creditors	<b>66,140</b>	52,015
	<b>67,349</b>	52,418

**Lichfield Festival Limited**  
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**Notes to the financial statements (continued)**  
**for the year ended 31 December 2022**

**12. Statement of funds**

<b>Summary of funds - 31 December 2022</b>	<b>Brought forward £</b>	<b>Incoming resources £</b>	<b>Expenditure £</b>	<b>Carried forward £</b>
General funds	82,650	413,711	(381,544)	114,817
Restricted funds	-	8,309	(8,309)	-
<b>Total funds</b>	<b>82,650</b>	<b>422,020</b>	<b>(389,853)</b>	<b>114,817</b>

<b>Summary of funds - 31 December 2021</b>	<b>Brought forward £</b>	<b>Incoming resources £</b>	<b>Expenditure £</b>	<b>Carried forward £</b>
General funds	14,621	310,617	(242,589)	82,650
Restricted funds	-	35,146	(35,146)	-
<b>Total funds</b>	<b>14,621</b>	<b>345,763</b>	<b>(277,735)</b>	<b>82,650</b>

Restricted funds during the year ended 31 December 2022 relate to funding received from the Arts Council England. These were awarded to cover free community events provided as part of the Summer Festival 2022.

**13. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2022 £</b>	<b>2021 £</b>
Net expenditure for the year (as per 'Statement of financial activities')	<b>32,167</b>	68,028
<b>Adjustment for:</b>		
Depreciation charges	<b>68</b>	24
Decrease / (increase) in debtors	<b>26,472</b>	(22,622)
Increase in creditors	<b>14,931</b>	8,165
<b>Net cash provided by operating activities</b>	<b>73,637</b>	53,595

**Lichfield Festival Limited**  
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**Notes to the financial statements (continued)**  
**for the year ended 31 December 2022**

**14. Analysis of cash and cash equivalents**

	<b>31 Dec 2022</b>	31 Dec 2021
	<b>£</b>	£
Cash in hand	<b>173,661</b>	100,151
Total	<b>173,661</b>	100,151

**15. Related Party Transactions**

During the year ended 31 December 2022:

- An interest free, unsecured loan payable to the Chair, Helen Wiser, was repaid in full.
- The company incurred professional fees in respect of the preparation and submission of the statutory accounts by the current Treasurer, Claire Lue, trading as Clear Accounting Lichfield Limited.
- The company incurred professional fees in respect of payroll processing, book-keeping, management accounts and forecasting by the current Treasurer, Claire Lue, trading as Clear Accounting Lichfield Limited.
- The company received donations in kind (in the form of the provision of postage and courier services for Festival brochures) from Shenstone Properties Limited. Raymond Mansell (a current Board Member of Lichfield Festival Limited) is a person of significant control with regard to Shenstone Properties Limited.

	<b>31 Dec 2022</b>	31 Dec 2021
	<b>£</b>	£
Unsecured interest free loan outstanding	-	15,000
Preparation and submission of statutory accounts	<b>250</b>	250
Payroll processing, book-keeping and management accounting fees	<b>3,567</b>	4,688
Postage and courier services	<b>6,500</b>	6,800