

Shetland Folk Festival Society
ANNUAL REPORT OF THE TRUSTEES AND
UNAUDITED RECEIPTS & PAYMENTS ACCOUNTS
for the year ended
30 September 2024

Charity Registration No SC013445

Shetland Folk Festival Society

ANNUAL REPORT OF THE TRUSTEES

for the year ended 30 September 2024

The Trustees have pleasure in presenting their report together with the financial statements and the independent examiner's report for the year ended 30 September 2024.

REFERENCE AND ADMINISTRATIVE INFORMATION

CHARITY NAME

Shetland Folk Festival Society

TRUSTEES AND EXECUTIVE COMMITTEE



INDEPENDENT EXAMINER

RSM UK Tax and Accounting Limited
Chartered Accountants
St Olaf's Hall
Church Road
Lerwick
Shetland
ZE1 0FD

BANKERS

Bank of Scotland
117 Commercial Street
Lerwick
Shetland
ZE1 0DN

SCOTTISH CHARITY NUMBER

SC013446

Shetland Folk Festival Society

ANNUAL REPORT OF THE TRUSTEES

for the year ended 30 September 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

Shetland Folk Festival Society was declared as a Charitable Trust under the Law of Scotland by the original Trustees between the dates of 27 May 1987 and 31 August 1987 inclusive.

Charitable Status was granted by HM Revenue and Customs on 31 August 1987.

APPOINTMENT OF TRUSTEES

Trustees are elected on an annual basis by a majority vote of those present and entitled to vote at the Annual General Meeting of the members of the society.

Duly elected Trustees also form the Executive Committee of the Society and are empowered with the Society's administration and management.

MANAGEMENT

The Committee of the Shetland Folk Festival meet regularly to administer the activities of the Society, with different responsibilities delegated to individual members. Where possible, new Trustees receive individual induction from the outgoing committee member with support from the Chairman and other Trustees as appropriate. All committee members are encouraged to undertake training as appropriate to their role and to keep up to date with relevant policy developments. There is a dedicated committee member responsible for ensuring that the Society's policies are reviewed as appropriate, and our volunteers are kept up to date with any changes. The core Committee of ten members, are now ably supported by some other key volunteers who support the organisation all year round as well as the army of volunteers who support the delivery of the actual 4 day event.

RISK MANAGEMENT

The Members of the Committee have assessed the major risks to which the charity is exposed and in particular the operations and finances of the Festival. Venues and Festivals the length and breadth of the country continue to face unprecedented social and economic challenges with rising outgoings coupled with a decreased spending capacity in audiences due to rising costs of living. As the costs of staging our annual Festival escalate, a significant risk is that of the availability of core revenue funding which supports the outreach elements of the Festival. We are satisfied that the Festival can meet the increased costs through alternative sources of income and that the systems are in place to mitigate our exposure to all other risks.

OBJECTIVES AND ACTIVITIES

The primary purpose of the Society is to organise an annual Shetland Folk Festival, celebrating folk music and culture, with a particular focus on Shetland's traditional heritage and influences. Incidental purposes and objectives are set out in the Society's Trust Deed.

ACHIEVEMENTS AND PERFORMANCE

The 42nd Shetland Folk Festival was deemed a massive success from audiences, performers, organisers and the wider community and we successfully catered for diverse musical tastes from Celtic, Metal, Jazz, Americana, Soul, Electronic and much more in between.

Like any year, there are challenges to putting on such a large-scale event in Shetland, including having to import production equipment and technicians from mainland Scotland, responding to rising travel costs and facing uncertainty in the availability of core revenue funding and business sponsorship. In 2024, a regional power cut also resulted in some concerts being affected. With a 'show must go on spirit', nothing was disrupted in terms of the programme but some of our artists and volunteers did become stranded on

Shetland Folk Festival Society

ANNUAL REPORT OF THE TRUSTEES

for the year ended 30 September 2024

the island of Unst, requiring emergency overnight accommodation.

A huge focus of our 2024 Festival was showcasing Scottish talent with a Scots with a Twist theme running throughout the programming. This included showcasing Shetland's very own musical export of Hjalibonhoga, who were celebrating 10 years of performing and providing opportunities at the Royal Edinburgh Military Tattoo. The Festival provided a platform for the outstanding "Celebrating Sail" commission that was showcased initially as part of Lerwick's Tall Ships opening event in July 2023. With Shetland fiddling at the heart of the band, Hjalibonhoga opened the Saturday Clickimin concert with 60 musicians on the stage. This included some young Shetland performers who were provided with a developmental opportunity and were playing with Hjalibonhoga for the first time, after just 1-day rehearsal. The band also featured backline accompaniment from some of the most profiled Shetland musicians, and had a considerable number of fiddlers who travelled to Shetland specifically to take part – including from as far away as New Zealand. It was a collaboration showcase that celebrated Shetland, our musicianship and the strength of appeal of our indigenous traditional musical locally, nationally and internationally.

Alongside this huge band, there were fifteen other visiting bands and thirty-three Shetland acts that performed over the four days with two hundred musicians gracing our stages.

From mainland Scotland and Orkney, the Tenement Jazz Band, Kirsten Adamson & the Tanagers, Beth Malcolm, Ciaran Ryan Band, Ross Couper Band, The Friel Sisters and Haverin were all booked as part of the Scots with a Twist theme. With Scottish jazz, folk and Americana all featured, the aim was to help showcase to our own young audience members that there is more to the Scottish traditional music scene than meets the eye, and to celebrate the connection between Shetland and global music more generally.

Once again, the Festival organisers took great pride in embracing community inclusivity in terms of our programming. This included staging two alcohol free concert options and six concerts in rural communities. Rural concerts are generally all loss making as stand alone events, due to small venue size and increased overheads in staging them, including local transportation costs. However, staging concerts the length and breadth of Shetland has always been (and will always be) a part of our offering.

As part our inclusive approach, we froze ticket prices for all under 18s in 2024 (while increasing adults by less than 4%) and also offered other subsidised concerts geared towards families, including the ever-popular 'Pearie Spang' concert. These were programmed alongside several outreach events for multiple schools and local authority settings that support both adults and young people with additional support needs.

Highlights included:

- School performances to 200 pupils in two rural schools (Hamnavoe and Dunrossness) featuring The Fretless and Inn Echo from Canada.
- School performances in the Additional Support Unit (ASN) in Bells Brae Primary School with 75 pupils.
- A lively performance in Eric Gray Centre, with 25 adults with additional support needs taking part and dancing to the Friel Sisters from Ireland/Scotland
- An Early Years focused performance by Tenement Jazz Band at Mareel, with 13 different ELC/schools from all throughout Shetland and 300 pupils & staff attending.

Our Festival Club activities and annual membership subscription cost is also driven by being inclusive as possible. We recognise that for many, the rising cost of living and decreased spending capacity can be crippling. Working in partnership with key stakeholders in the local authority, we supported 43 households on low income to have free access to the Festival Club in a non-stigmatised way.

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for the year ended 30 September 2024

Since returning after the pandemic, the Festival has focused really hard on reshaping the Festival Club to be an open, relaxed and affordable option for Festival goers to access world class visiting and Shetland music. Festival membership acts as a "weekender" ticket, with 4 packed days of programmed music offered on a first come first serve basis in Room 16 in Islesburgh Community Centre, as well as multiple scheduled sessions and workshops which are open to all abilities. Families have been particularly positive about this development, on the basis of price and it offering a more relaxed daytime setting to give children some flavours of live music. There were 1639 paid for members of the Festival in 2024, as well as around 300 others who receive complimentary tickets to the daytime Club in return for volunteering.

In 2024, the free taster workshops for Festival members included 'Shetland Fiddle', 'Asturian Melodies', 'Scandinavian Tunes' and 'International Singing' with workshop numbers ranged from 12-35 participants per session. Participants of the singing workshop even joined the workshop leaders on stage for a few songs, which was an incredibly empowering experience for them.

In terms of ticketed activities, there were twenty-five events in an overall programme of fifty-three scheduled engagements. Since 2023, we have ticketed the late night Festival Club, which has significantly increased both the numbers of tickets we have available and the numbers we sell.

Including the complimentary tickets that go to key volunteers like our accommodation hosts, the Festival issued 9440 tickets and wristbands for music programmed in 12 different venues as part of the 2024 Shetland Folk Festival. However, overall attendances are estimated to be nearer 10,550 when you include ticketed concerts, daytime programming in the Club, school and outreach events as well as the eleven scheduled workshops and session activities.

In terms of our contribution to the local tourism sector, our volunteer Festival continues to punch well above our weight in terms of providing a positive economic boost in the shoulder season. The 2024 event attracted over 645 independent visitors, including 155 from outside of the UK. These figures exclude the musicians and creative professionals that we contract with, who of course also contribute to additional spend in the local economy.

However, Shetland Folk Festival remains predominantly an event for the community with at least 3200 Shetland residents attending Festival events.

Once again, our volunteer committee are incredibly proud of what we delivered in 2024. An estimated 9200 volunteer hours and 514 volunteers participated to make our event a success, leaving the core committee invigorated and inspired to do it all over again next year!

Without the incredible volunteer sweat equity that goes into delivering this event, including volunteers opening their homes to artistes, the annual Shetland Folk Festival simply could not happen, as our overheads would simply be too high. Our thanks go to each and every one of our volunteers, our corporate sponsors and Creative Scotland. See you in 2025!

FUTURE PLANS

Our intention is to carry on promoting an annual Shetland Folk Festival during April/May in the coming years, developing new educational projects as the opportunity arises and assisting to develop the traditional music of Shetland and its promotion outside of Shetland too. We are planning a Nordic Tone type educational tune exchange project with Kaustinen in Finland in 2025, and are starting to plan for sizeable investment into a new website and integrated e-ticketing system.

FINANCIAL REVIEW AND RESERVES POLICY

Under charity guidelines, with our income below £250k we elected in 2015 to move from full accrued accounts to simplified accounts in the form of "Receipts & Payments." This change in accounting style was approved by our Grant Funders and OSCR.

Shetland Folk Festival Society

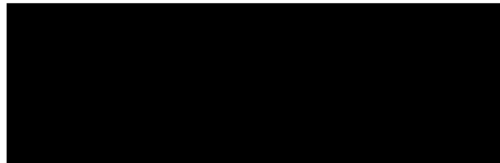
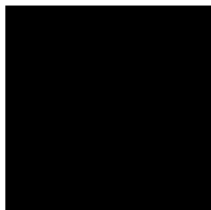
ANNUAL REPORT OF THE TRUSTEES

for the year ended 30 September 2024

As a result of the surplus of £21,842 for the year the charity held funds of £131,979 at the year end.

To help finance additional project plans and expenditure in 2025, we are designating £18,000 to the Office and IT upgrade fund.

General funds are unrestricted funds which are available for use at the discretion of the committee in furtherance of the general objectives of the charity which have not been designated for any other purpose.



Shetland Folk Festival Society
UNAUDITED RECEIPTS AND PAYMENTS ACCOUNT
for the year ended 30 September 2024

	Notes	2024 Unrestricted	2024 Restricted	2024 Total £	2023 Total £
RECEIPTS					
Voluntary receipts:					
Grants received	2	-	17,000	17,000	15,070
Sponsorship and donations	3	20,900	-	20,900	14,417
Raffles		13,865	-	13,865	13,539
Merchandise		6,592	-	6,592	2,601
Commission on artists' sales		884	-	884	676
Receipts from charitable activities:					
Memberships		29,570	-	29,570	21,102
Functions		115,126	-	115,126	106,304
Festival Club donation		1,624	-	1,624	-
Kaustinen Folk Music Festival travel reimbursement		911	-	911	-
Miscellaneous income		1,849	-	1,849	2,429
TOTAL RECEIPTS		191,321	17,000	208,321	176,138
PAYMENTS					
Cost of fundraising:					
Raffles		1,579	-	1,579	1,674
Merchandise		6,252	-	6,252	3,157
Charitable activities:					
Artists' fees		44,355	8,640	52,995	59,805
Travel		13,630	4,486	18,116	16,292
PA hire		43,679	-	43,679	40,511
Functions		16,143	1,549	17,692	17,038
Festival Club		15,569	-	15,569	15,607
Publicity		557	459	1,016	990
Accommodation expenses		8,854	535	9,389	5,064
Office administration		4,802	-	4,802	4,861
Heat and light		1,141	-	1,141	5,280
Bank interest and charges		3,368	-	3,368	2,854
Performing Rights Society		4,192	-	4,192	3,811
Rates and insurance		1,513	604	2,117	2,005
Awards show		-	-	-	960
Miscellaneous expenses		3,167	727	3,894	3,600
Purchase of fixed assets		-	678	678	225
TOTAL PAYMENTS		166,801	17,678	186,479	183,734
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SURPLUS/(DEFICT) FOR THE YEAR		22,520	(878)	21,642	(7,596)

Shetland Folk Festival Society
Charity Registration No. SC013445
UNAUDITED STATEMENT OF BALANCES
at 30 September 2024

	2024 Unrestricted Funds £	2024 Restricted Funds £	2024 Total Funds £	2023 Total Funds £
FUNDS RECONCILIATION				
Cash and bank balances at start of year	82,004	28,133	110,137	117,733
Surplus/(Deficit) shown on receipts and payments account	22,520	(878)	21,842	(7,596)
Transfer between funds	(18,000)	18,000	-	-
	<u>86,524</u>	<u>45,455</u>	<u>131,979</u>	<u>110,137</u>
	=====	=====	=====	=====
			2024 £	2023 £
BANK AND CASH BALANCES				
Bank current account			131,960	110,118
Cash in hand			19	19
			<u>131,979</u>	<u>110,137</u>
			=====	=====
			2024 £	2023 £
OTHER ASSETS (unrestricted funds)				
Tangible fixed assets (at cost):				
Heritable property			45,478	45,478
Office furniture and equipment			4,536	3,858
			<u>50,014</u>	<u>49,336</u>
			=====	=====
The net book value of assets held at 30 September is			50,014	49,336
			=====	=====
Grants and donations due to the charity			-	3,000
			=====	=====

The accounts on pages 1 to 9 were approved by the Executive Committee and authorised for issue on 30 June 2025 and signed on their behalf by:

[Redacted Signature]

Shetland Folk Festival Society
Charity Registration No. SC013445
UNAUDITED NOTES TO THE FINANCIAL ACCOUNTS
at 30 September 2024

1. BASIS OF ACCOUNTING

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

2. GRANTS	2024	2023
	£	£
Restricted:		
Visit Scotland	-	3,150
Creative Scotland – Sustaining Creative Development Programme	17,000	9,000
Unrestricted:		
Creative Scotland	-	2,920
	<u>17,000</u>	<u>15,070</u>
	=====	=====
	=====	=====
3. SPONSORSHIP & DONATIONS	2024	2023
	£	£
Adenia	500	500
Allied Taxes	500	350
Anderson Strathearn	200	-
Arch Henderson	2,500	2,500
Brae Stores	500	-
Enquest	1,500	1,500
Ernwood	250	-
ESPL	750	1,000
Fiera	500	-
GB & MA Anderson	500	-
GTS	-	1,000
J.W Gray & Co & Carling	2,000	-
J.W Gray & Co & Belhaven Brewery	-	2,000
LHD	750	1,000
Lerwick Port Authority	1,500	-
Moray Offshore	4,000	-
Moulders Accountancy	500	-
PURE Energy Centre	-	500
RG Jamieson	500	500
Scottish Sea Farms	1,500	1,500
Seabirds & Seals	500	500
Serco	1,000	-
Miscellaneous donations received	950	1,567
	<u>20,900</u>	<u>14,417</u>
	=====	=====

Donations in kind were also received during the year from RSM UK Tax and Accounting Limited £2,705 (2023 - £2,575), Serco Northlink Orkney & Shetland Ferries Ltd £6,204 (2023 - £4,816) and Shetland Arts Development Agency £2,732 (2023 - £3,012).

Shetland Folk Festival Society
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UNAUDITED NOTES TO THE FINANCIAL ACCOUNTS
at 30 September 2024

4. MOVEMENT OF FUNDS

	2023	Incoming Resources £	Expended Resources £	Transfers £	2024 £
Unrestricted funds:					
General fund	82,004	191,321	(168,801)	(18,000)	86,524
Restricted funds:					
Youth Programming and Development fund	14,000	-	-	-	14,000
Nordic Tone fund	3,893	-	-	-	3,893
Creative Scotland – Sustaining Creative	-	17,000	(17,000)	-	-
Designated funds:					
Office and IT Upgrade	3,000	-	(678)	18,000	20,322
Heritable property fund	7,240	-	-	-	7,240
Total funds	110,137	208,321	(186,479)	-	131,979
	=====	=====	=====	=====	=====

Restricted funds:

The Youth Programming and Development Fund has been created to finance future educational projects, school visits, playgroup concerts and potentially supporting some costs of students' music tuition fees.

The Office and IT Upgrade fund was created to provide funding towards upgrading of the charity's website, developing online sales as well as the maintenance and purchase of items for the office.

The Heritable Property fund relates to money to be spent on the upkeep of the office building.

The Nordic Tone fund is a restricted fund to be used to finance future educational projects of the nature of the Nordic Tone project, staged in 2009.

The Creative Scotland National Lottery fund is a restricted fund to be used to help showcase Scotland's best young folk musicians of the last three years and inspire our own young musicians and audiences.

5. TRUSTEES' REMUNERATION AND EXPENSES

No trustee received any remuneration in the current or preceding period. No trustee received any expenses in the current or preceding period.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
OF SHETLAND FOLK FESTIVAL SOCIETY, SC013445
30 September 2024**

I report on the accounts of the Charity for the year ended 30 September 2024 set out on pages 1 to 9.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act) and the Charities Accounts (Scotland) Regulations 2006 (the 2006 Accounts Regulations).

The charity trustees consider that the audit requirement of Regulation 10(1) (d) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the 2005 Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


On behalf of RSM UK Tax and Accounting Limited
Chartered Accountants
St Olaf's Hall
Church Road
Lerwick
Shetland
ZE1 0FD

30/06/25