

**Report of the Trustees and**  
**Financial Statements for the Year Ended 31st March 2021**  
**for**  
**Freedom Festival Arts Trust**

Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

**Contents of the Financial Statements  
for the year ended 31st March 2021**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Report of the Trustees</b>	2 to 8
<b>Report of the Independent Auditors</b>	9 to 12
<b>Statement of Financial Activities</b>	13
<b>Balance Sheet</b>	14
<b>Cash Flow Statement</b>	15
<b>Notes to the Cash Flow Statement</b>	16
<b>Notes to the Financial Statements</b>	17 to 25

## **Freedom Festival Arts Trust**

### **Reference and Administrative Details for the year ended 31st March 2021**

<b>TRUSTEES</b>	J G P Meehan K A A Okra S Madden S J S Humphreys (resigned 10.3.2021) N Porteus K Denby (Chair) B M McKnight (resigned 16.6.2021) Cllr D Craker (resigned 16.6.2021) M Relph S A Christopher P M Dalby D J Keel B Richardson R Rosemary Pantelakis (appointed 16.6.2021)
<b>REGISTERED OFFICE</b>	Room 905 Floor 9, 44 Bond Street Hull East Yorkshire HU1 3EN
<b>REGISTERED COMPANY NUMBER</b>	08530799 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1158439
<b>AUDITORS</b>	Smailes Goldie Chartered Accountants Statutory Auditor Regent's Court Princess Street Hull East Yorkshire HU2 8BA
<b>BANKERS</b>	Co-operative Bank plc 22 Alfred Gelder Street Hull HU1 2BS
<b>SOLICITORS</b>	Rollits LLP Citadel House, 58 High Street, Hull, HU1 1QE

## **Freedom Festival Arts Trust**

### **Report of the Trustees for the year ended 31st March 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2021. The trustees have adopted the provisions of 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).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objects, aims and objectives**

The objects of the Charity are:

To advance the education of the public in the arts and in particular the arts of performance, music, drama, poetry reading, sculpture, painting, handicrafts and all other associated arts; and to encourage public participation in the said arts by the presentation of concerts, performances, exhibitions and festivals in the City of Kingston upon Hull ("the City") and its environs including, but not limited to events which celebrate the history of the City including its contribution to the abolition of slavery through the pioneering work of Hull-born William Wilberforce; provided that the promotion of such events is undertaken solely for the benefit of the public;

Such other charitable purposes beneficial to the community consistent with the objects above as the Trustees shall in their absolute discretion determine.

##### **Core Purpose**

Freedom Festival Arts Trust (FFAT) has delivered Freedom Festival and numerous other activities since its formation in 2013. As custodians of the city's annual award-winning, free-to-access international arts festival (Freedom Festival) and an expanding year-round programme of work which includes artistic delivery, workshops, talks, symposia, audience engagement, talent development, health & wellbeing and the commissioning of new, bold and relevant work, FFAT continues to evidence a significant impact upon the social, cultural and economic vitality of the city and the global sector.

We believe that arts and culture can be a catalyst for long-term transformation of people and place, connecting communities, building civic pride, raising aspirations, positive economic impact and ultimately contributing towards a society in which people may prosper, where communities matter and where creativity thrives.

##### **Public benefit**

The trustees have reviewed the current activities of the charitable company and confirmed that they are in line with its objectives. All the activities of the organisation carried out during the period are in pursuance of the company's aims and objectives. The trustees also confirm that the organisation's aims and objectives fall within the "descriptions of purposes" in the Charities Act 2011 and are recognised as charitable and are carried out for the public benefit.

**Report of the Trustees  
for the year ended 31st March 2021**

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

**Highlights 2020 Festival**

- Delivered online and broadcast Freedom Festival 2020
- Over 450,000 attended the festival both online and via broadcast
- Excellent local and national relationship developed with BBC
- Broadcast Freedom Festival talks, activities and events on BBC Humberside, BBC Sounds, BBC Introducing and BBC Radio 4 Front Row
- Delivered online content on Vimeo, You Tube and Mixcloud
- 7 new artistic commissions
- Continued as Secretariat and Vice Chair for the Cultural Collisions Hull group
- Supported multiple artists through local commissions and development projects via our EU funded network InSitu
- Our AD/Joint CEO maintained a significant presence within the national and international arts festival sector through key note presentations, panel appearances and as guest speaker
- Supported and maintained our core workforce, honoured as many artistic commitments as possible and employed many freelancers to create and deliver the online program and engagement activities.

2020 was a challenging year for Festival delivery. The programme was almost fully complete and ready to announce when the Covid-19 pandemic struck and lockdown 1 was announced (March 2020). The uncertainty around this, particularly around the impact and the longevity of the situation caused much anxiety. Once we had some clarity around what we would be able to deliver (or perhaps what we were not able to deliver) we quickly pivoted and designed a festival programme around an online and broadcast model. This model was of course different to the one which was originally planned but allowed us an opportunity to be creative with our associate artists and to stay connected to our audiences and stakeholders through a festival programme.

All artists and companies who had been provisionally booked for the regular festival were contacted to inform of the new plans and to allow them to adapt their work for an online and broadcast festival if appropriate, many were supported to do this and new work was developed for this medium.

The Artistic Director and team were quick to move to this new model and put together an extremely coherent and fulfilling programme which covered work for children and young people, those new to the arts, those who want to explore their artistic world more deeply, talks, films and online galleries, delivered both through online platforms and broadcast.

Some highlights of Freedom Festival 2020 included Portraits without Borders by Kaleider Studios - an indoor piece where the public sent in a selfie and the robot drew their stylised picture on a huge white wall with many other selfie's - the work was delivered on Hull Truck Theatre's main stage with the irony that we could be present in drawing but not in person and somehow still create a sense of solidarity without being physically present; a series of six unique music video experiences in collaboration with BBC Introducing and NOVA Studios where emerging music artists from Hull and the region were filmed in a Hull landmarks, such as at The Deep and on the roof of the K2 tower. We delivered a theatre scratch night with partners Middle Child and Silent Uproar utilising Vimeo platforms and also commissioned a series of DJ sets on MixCloud. We commissioned Plink & Boo to realise their show for younger children Can't Sit Still as an online 'to camera' experience with pre-watch activities in addition to great acclaim and are very proud that the show has gone on to tour extensively across the UK.

The organisation's staff learnt a great deal during this time, particularly how working across the digital realm can attract new and different audiences but also be very challenging to certain artists and art forms as a new way of working. This learning will have significant impact on and be embedded in future festivals.

The festival was extremely well received, reached thousands of people locally, nationally and internationally and many were delighted that we were able to deliver creative quality artistic content in such a challenging environment.

As well as the festival programme itself at the beginning of the summer 2020 school holidays, we released a weekly Freedom Festival at Home set of online and downloadable creative learning kits for children and young people. These were incredibly successful with over 1,500 downloads in total.

## **Freedom Festival Arts Trust**

### **Report of the Trustees for the year ended 31st March 2021**

#### **The Hull Vigil**

We spend a great deal of time in 2020-2021 preparing, negotiating and developing the necessary partnerships locally, nationally and internationally for the year-long installation/event The Hull Vigil by company WLDN, a UK premiere. This is a year-long event in which a different person each sunrise and sunset spends one hour on a shelter on top of Hull College, watching over the city as a protector, guardian or whatever they perceive themselves to be. It is a major undertaking with year-round project management required, training for each of the participants (Vigils) delivered by freelance artists, contractual relationship with Hull College for the building on their roof and a major new relationship with Esteem in Hull, who are a consortium of building companies who have supported The Hull Vigil to be realised. The Hull Vigil began on May 3rd 2021 and will run for one year in duration. This project has also shifted the way we are perceived as an organisation, capable of doing so much more than just the annual festival, this is hugely important for our growth moving forward.

The Hull Vigil had significant press and media attention and also helped to elevate our position in the UK Festival sector, or perhaps more importantly as producers of extraordinary creative events for public spaces.

#### **International**

We are members of the In Situ European wide project, funded by the European Commission, which enables us to programme and commission work and deliver artist exchanges, high quality artist development programmes and collaborations amongst other things. This is one of the most significant European large collaboration projects and is vital to the outdoor arts sector in the UK.

We are also members of the Global Streets network. This network relies on international companies touring into the UK which was of course challenging for all UK partners in this period. The support from these networks has helped us to realise and prepare to deliver The Hull Vigil.

#### **Commissions**

We have commissioned a total of 7 new pieces of work this year, with an investment of £47.9k. These have consisted of 3 international (£17.4k) and 4 national (£30.5k).

#### **Symposium/ Talks**

We delivered a number of talks, online in partnership with the Wilberforce Institute exploring the legacy of transatlantic slavery and the local context of modern day slavery alongside a Freedom Talks special broadcast in partnership with BBC Front Row asking how the arts respond to current political and social issues.

#### **Community Engagement**

We worked with Back to Ours in Hull to deliver 3 evenings of Lullaby by Luke Jerram, a community based sonic and illuminated processional participatory cycle ride around areas of Hull, with the participation of many local volunteers, community organisations' support to bring unique and positive artistic activity to areas of Hull which have had less opportunity to engage in cultural activity. Circa 30 people took part as participants each night, delivering the event to an audience of around 2,000 people.

#### **Talent Development**

We work throughout the year with local, regional, national and international artists across many disciplines to support their artistic journey. Many are beginning or early in their careers, others are moving into the art in public space sector.

We commissioned 7 pieces of work in 2020-21. They were:

Humm Radio  
Portraits Across Borders  
Hopes & Fears from Across the Water  
Play-Along - Plink and Boo  
Arrivals and Departures  
Studio Cite  
In Search of Democracy 3.0

## **Freedom Festival Arts Trust**

### **Report of the Trustees for the year ended 31st March 2021**

#### **FINANCIAL REVIEW**

##### **Financial review**

Through strong governance, effective leadership and the implementation of robust financial management systems we continue to ensure financial viability across all areas of our work.

Key financial principles inform our approach:

- Stewardship
- Accountability
- Transparency
- Integrity
- Financial standards
- Consistency

In 2020-2021 FFAT delivered an online and broadcast festival. The festival delivery costs were substantially reduced, with only additional online costs for some specialist software to create and host activity. Costs to artists were also less than previous years as delivery across online and broadcast media is less expensive to deliver. We did commission some new work for Festival 2020.

Festival 2020 was delivered despite continuing challenges to securing income from sponsorship, trust's, and foundations.

In 2020-2021 we had a surplus of £214,162. This was made up of programme delivery underspend in the year, with some of the work moved forward to 2021-2022, and staff salary savings due to the Coronavirus Job Retention Scheme.

Quarterly Finance Sub-Committee meetings provide a platform for financial review where management accounts, cash flow and performance to objectives are reviewed at length. The Finance Sub-Committee also provides support to the board and executive team in terms of providing critical guidance and input into the financial management and these meetings feed into the Board meetings which are held quarterly. The day-to-day accountability for financial performance is overseen by the Joint CEO's who work closely with the Finance Manager.

#### **Charitable Funds**

The charitable company held fund balances at 31 March 2021 of £469,626.

£150,671 is held in unrestricted funds to cover day to day working capital requirements.

The board of trustees have designated £85,000 towards increasing the capacity and resilience of the charity in line with the strategic objectives in its business plan.

The remaining £233,955 is comprised of restricted funds.

#### **Reserves policy**

The reserves policy is to hold 3 months of close down costs plus redundancy costs to cover day to day working capital requirements. In financial year 2020-2021 this amounted to £84,089. The Board of Trustees review this policy annually.

#### **Financial report for the year**

Much of the charitable company's income is obtained from grants from Arts Council England, sponsorship from the local authority and a number of local/regional businesses, earned income and donations. Some of these income streams are restricted to particular purposes. These amounts are shown as restricted funds in the statement of financial activities. During the period, total restricted expenditure of £118,745 (2019-2020 £659,646) was covered by sponsorship, donations, grants and funds brought forward. The company generated unrestricted income of £286,990 (2019-2020 £433,019) during the period.

**Report of the Trustees  
for the year ended 31st March 2021**

**FINANCIAL REVIEW**

**Going concern**

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, considering various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

**FUTURE VISION**

Freedom Festival Arts Trust has been through a challenging year in 2020-2021, as have many arts focused organisations. We were able to deliver our Festival, albeit through online and broadcast medium and also prepare the ground for The Hull Vigil project.

We expect the learning from this unprecedented period of delivery to be utilised in future Festivals.

We delivered a festival in 2021-2022 and used all government advice and restrictions to plan a safe and enjoyable festival for all.

We will continue to embed our relationships with academic institutions the University of Hull, Hull College and Ron Dearing UTC in 2020-2021, bringing the work of the organisation, our myriad of associate artists and the academic sector closer together, delivering more opportunities for young people to get involved in and to learn from the work of the festival alongside our continued working with academics to explore research opportunities with and through our work, connecting appropriate local, regional, national and international artists. We expect this to raise aspiration levels, encourage exploration of the wider arts and cultural sector, inspire the next generation of local talented arts professionals and generate a sense of pride in place.

We are continuing our relationship with the In Situ network an international project funded through the European Commission, which links over 30 organisation both large and small in a collective ambition to grow and develop the outdoor arts sector through commissioning, programming, artist development, cross sector working, talks, workshops, exchanges and written materials. This is an investment of time and money from the organisation but we and the city benefit hugely from this outward facing international flow of artists and ideas. Artists in Hull benefit from the opportunity to be a part of an international conversation with opportunities to exchange practice, artistic development, production support, connect with international networks, ideas and to tour. We will commit circa £38,000 to this project each year of the next 4 years and receive an average return of £9.5k per annum

We are a leading member of the Global Streets, a UK network, of 10 like-minded organisations, which is supported by Arts Council England. Global Streets looks to bring the best national and international participatory work to the streets of each members' city. We will continue our strong relationship with this network and look to grow our input in it over the years ahead, with the expectation that it will continue to be funded by Arts Council England and other funding streams.

We continue to be a significant player in the Hull cultural and creative sector, championing the city and its artists to become world-class and have incredible opportunities to deliver their work to the world. We work with many organisations and local authority initiatives in the city to support growth of the arts sector, underline its importance to the growth of the city economically and for the wellbeing of its inhabitants. We champion our place and celebrate and support artists who work here, alongside bringing world-class artists and companies to the city to illustrate excellence and inspire both artists and audiences alike.

We will continue to commission work locally, regionally, nationally and internationally through our networks and independently, meaning that our programme of work both at the festival and across the year contain a diverse and excellent array of artists and companies.



## **Freedom Festival Arts Trust**

### **Report of the Trustees for the year ended 31st March 2021**

We take our role in the sector and the city as cultural enablers and a National Portfolio Organisation extremely seriously and understand the importance of all forms of diversity in our work. We acknowledge that this is a journey and we always need to do more in a society with so much embedded structural inequality. We will work tirelessly to take positive action across everything we do to be as diverse, relevant and inclusive as is possible. This includes programming, commissioning, advocacy, mentoring, choice of commercial partners, sponsors and others. We will encourage others with whom we work to share our ideals and positive actions. In this year and the years ahead we will look to challenge our decision making, take positive action on bringing more diversity to our programme and be an advocate for change with the arts sector, outdoor arts and in the city.

We will continue to develop our funding partners. This means both deepening our current relationships and adding new ones. We want to work with partners who value and understand our work and believe in the city of Hull and a place which can be more vibrant and can enhance its standing nationally and internationally. We need support from business to continue our growth and we will work to build reciprocal relationships to enable shared benefits. We will lobby our existing core funders, Arts Council England and the local authority for increased investment, allowing us to achieve our ambitions of delivering outstanding cultural and creative experiences for the people of Hull and beyond. To enable this, we will be developing a new funding and fundraising strategy to enable us to grow and change.

We will continue to work closely with our two key funders, Arts Council England and Hull City Council. We are supporters and partners in the Hull Maritime City project, as a next step in the wider city regeneration project.

#### **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. The charitable company's Memorandum and Articles of Association are its primary governing documents.

##### **Recruitment, appointment, induction and training of new trustees**

All trustees are appointed for a fixed term of 5 years and, at the end of this term, may be re-appointed for another fixed term of 5 years, after which they must step down. When recruitment becomes necessary, opportunities will be advertised via appropriate media. Induction and training will be provided.

#### **EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

## **Freedom Festival Arts Trust**

### **Report of the Trustees for the year ended 31st March 2021**

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Freedom Festival Arts Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which 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 those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

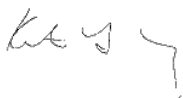
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

- there is no relevant information of which the charitable company's independent examiners are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiners are aware of that information.

#### **AUDITORS**

The independent auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report was approved by the Board on 15th December 2021 and signed on its behalf by:



K Denby - Trustee

## **Report of the Independent Auditors to the Members of Freedom Festival Arts Trust**

### **Opinion**

We have audited the financial statements of Freedom Festival Arts Trust (the 'charitable company') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021 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; and
- 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of Freedom Festival Arts Trust**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

## **Report of the Independent Auditors to the Members of Freedom Festival Arts Trust**

### **Our 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 a Report of the Independent Auditors 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.

### **The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, tax legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;  
assessed whether judgements and assumptions made in determining the accounting estimates
- were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

## **Report of the Independent Auditors to the Members of Freedom Festival Arts Trust**

### **Use of our report**

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Luke Taylor BSc(Hons) (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

15th December 2021

# Freedom Festival Arts Trust

## Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31st March 2021

	Notes	Unrestricted fund £	Designated fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	3	491	-	53,500	53,991	171,892
<b>Charitable activities</b>	4					
Artistic Activities		-	-	243,027	243,027	383,088
James Reckitt Library Trust		-	-	53	53	92
Core Costs		286,499	-	-	286,499	323,627
Sura Medura		-	-	-	-	22,684
Cultural Collisions		-	-	-	-	1,300
British Council		-	-	-	-	12,656
The Vigil		-	-	34,211	34,211	-
<b>Total</b>		<b>286,990</b>	<b>-</b>	<b>330,791</b>	<b>617,781</b>	<b>915,339</b>
<b>EXPENDITURE ON</b>						
<b>Charitable activities</b>	5					
Artistic Activities		-	-	70,495	70,495	605,790
James Reckitt Library Trust		-	-	9,993	9,993	17,977
Core Costs		284,874	-	-	284,874	275,185
Sura Medura		-	-	-	-	22,573
Cultural Collisions		-	-	-	-	650
British Council		-	-	-	-	12,656
The Vigil		-	-	38,257	38,257	-
<b>Total</b>		<b>284,874</b>	<b>-</b>	<b>118,745</b>	<b>403,619</b>	<b>934,831</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>2,116</b>	<b>-</b>	<b>212,046</b>	<b>214,162</b>	<b>(19,492)</b>
<b>Transfers between funds</b>	16	<b>(31,887)</b>	<b>31,887</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>(29,771)</b>	<b>31,887</b>	<b>212,046</b>	<b>214,162</b>	<b>(19,492)</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>180,442</b>	<b>53,113</b>	<b>21,909</b>	<b>255,464</b>	<b>274,956</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>150,671</b>	<b>85,000</b>	<b>233,955</b>	<b>469,626</b>	<b>255,464</b>

### CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

# Freedom Festival Arts Trust

## Balance Sheet 31st March 2021

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	12	3,458	1,957
<b>CURRENT ASSETS</b>			
Debtors	13	33,687	40,731
Cash at bank		540,020	294,749
		<b>573,707</b>	335,480
<b>CREDITORS</b>			
Amounts falling due within one year	14	(107,539)	(81,973)
<b>NET CURRENT ASSETS</b>		<b>466,168</b>	253,507
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>469,626</b>	255,464
<b>NET ASSETS</b>		<b>469,626</b>	255,464
<b>FUNDS</b>	16		
Unrestricted funds		235,671	233,555
Restricted funds		233,955	21,909
<b>TOTAL FUNDS</b>		<b>469,626</b>	255,464

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

The financial statements were approved by the Board of Trustees and authorised for issue on 15th December 2021 and were signed on its behalf by:



K Denby - Trustee



**Freedom Festival Arts Trust**

**Cash Flow Statement  
for the year ended 31st March 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>249,113</u>	<u>(28,632)</u>
Net cash provided by/(used in) operating activities		<u>249,113</u>	<u>(28,632)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(4,134)	(310)
Sale of tangible fixed assets		<u>292</u>	<u>-</u>
Net cash used in investing activities		<u>(3,842)</u>	<u>(310)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>245,271</u>	<u>(28,942)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>294,749</u>	<u>323,691</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>540,020</u></u>	<u><u>294,749</u></u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement  
for the year ended 31st March 2021**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2021 £</b>	<b>2020 £</b>
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	<b>214,162</b>	<b>(19,492)</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>2,341</b>	1,391
Decrease in debtors	<b>7,044</b>	24,384
Increase/(decrease) in creditors	<b>25,566</b>	<b>(34,915)</b>
<b>Net cash provided by/(used in) operations</b>	<b>249,113</b>	<b>(28,632)</b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1.4.20 £</b>	<b>Cash flow £</b>	<b>At 31.3.21 £</b>
<b>Net cash</b>			
Cash at bank	<b>294,749</b>	<b>245,271</b>	<b>540,020</b>
	<b>294,749</b>	<b>245,271</b>	<b>540,020</b>
<b>Total</b>	<b>294,749</b>	<b>245,271</b>	<b>540,020</b>

**Notes to the Financial Statements  
for the year ended 31st March 2021**

**1. COMPANY INFORMATION**

Freedom Festival Arts Trusts is a private company limited by guarantee incorporated in the United Kingdom. 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. The address of the registered office is given in the charity information on page 1 of these financial statements.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, when it is probable that the income will be received and when the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Allocation and apportionment of costs**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs and governance costs. They are incurred directly in support of expenditure on the objectives of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 3 years on cost

**Taxation**

Freedom Festival Arts Trust is a UK registered charity and all of its income is applied to the achievement of its charitable objects. The charitable company is therefore exempt under current legislation from most forms of taxation.

**Fund accounting**

**Unrestricted funds**

Unrestricted general funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

**Restricted funds**

**Notes to the Financial Statements - continued**  
**for the year ended 31st March 2021**

**2. ACCOUNTING POLICIES - continued**

**Fund accounting**

Restricted funds are to be used in accordance with specific restrictions imposed by donors or have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**3. DONATIONS AND LEGACIES**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Sponsorship	-	53,500	53,500	140,300
Donations and gifts	491	-	491	31,592
	<u>491</u>	<u>53,500</u>	<u>53,991</u>	<u>171,892</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Artistic Activities £	James Reckitt Library Trust £	Core Costs £
Grants received	242,133	-	283,797
Ticket sales	-	-	-
Festival concessions	894	-	-
Other income	-	53	2,702
	<u>243,027</u>	<u>53</u>	<u>286,499</u>

	The Vigil £	2021 Total activities £	2020 Total activities £
Grants received	34,211	560,141	702,698
Ticket sales	-	-	24,589
Festival concessions	-	894	15,993
Other income	-	2,755	167
	<u>34,211</u>	<u>563,790</u>	<u>743,447</u>

Notes to the Financial Statements - continued  
for the year ended 31st March 2021

## 5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Artistic Activities	70,495	-	70,495
James Reckitt Library Trust	9,993	-	9,993
Core Costs	272,951	11,923	284,874
The Vigil	38,257	-	38,257
	<u>391,696</u>	<u>11,923</u>	<u>403,619</u>

## 6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	180,770	165,851
Rent and rates	5,790	5,493
Insurance	4,552	7,091
Telephone	1,006	1,662
Sundries	-	126
Festival and workshop content	120,185	607,407
Advertising and marketing	64,044	78,036
Recruitment expenses	1,550	2,580
Travel and entertaining	(441)	24,529
Post and stationery	2,513	1,004
Computer costs	3,057	1,957
Subscriptions	2,420	1,711
Repairs and renewals	-	11,195
Training	3,909	3,085
Project management and consultancy costs	-	8,020
Depreciation	2,341	1,391
	<u>391,696</u>	<u>921,138</u>

## 7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Core Costs	<u>705</u>	<u>11,218</u>	<u>11,923</u>

Governance costs are as follows:

	2021 £	2020 £
Auditors remuneration	11,218	12,899
Independent examiners fee	-	-
	<u>12,899</u>	<u>12,899</u>

**Notes to the Financial Statements - continued  
for the year ended 31st March 2021**

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	2,341	1,391
Amounts payable to the auditor	11,218	12,899

**9. TRUSTEES' REMUNERATION AND BENEFITS**

The trustees were not entitled to and did not receive any remuneration from the charitable company during this year nor the preceding year.

**Trustees' expenses**

There were no expenses incurred by the trustees (2020 £1,604) during the year in respect of travel and subsistence costs.

**10. STAFF COSTS**

	2021 £	2020 £
Wages and salaries	164,135	151,111
Social security costs	12,625	11,927
Other pension costs	4,010	2,813
	180,770	165,851

The average monthly number of employees during the year was as follows:

	2021	2020
Average number of employees	5	5

No employees received emoluments in excess of £60,000.

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Designated fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	109,392	-	62,500	171,892
<b>Charitable activities</b>				
Artistic Activities	-	-	383,088	383,088
James Reckitt Library Trust	-	-	92	92
Core Costs	323,627	-	-	323,627
Sura Medura	-	-	22,684	22,684
Cultural Collisions	-	-	1,300	1,300
British Council	-	-	12,656	12,656
<b>Total</b>	433,019	-	482,320	915,339
<b>EXPENDITURE ON</b>				

Notes to the Financial Statements - continued  
for the year ended 31st March 2021

## 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Designated fund £	Restricted funds £	Total funds £
<b>Charitable activities</b>				
Artistic Activities	-	-	605,790	605,790
James Reckitt Library Trust	-	-	17,977	17,977
Core Costs	275,185	-	-	275,185
Sura Medura	-	-	22,573	22,573
Cultural Collisions	-	-	650	650
British Council	-	-	12,656	12,656
<b>Total</b>	275,185	-	659,646	934,831
<b>NET INCOME/(EXPENDITURE)</b>	157,834	-	(177,326)	(19,492)
<b>Transfers between funds</b>	(212,554)	53,113	159,441	-
<b>Net movement in funds</b>	(54,720)	53,113	(17,885)	(19,492)
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	235,162	-	39,794	274,956
<b>TOTAL FUNDS CARRIED FORWARD</b>	180,442	53,113	21,909	255,464

## 12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
<b>COST</b>	
At 1st April 2020	4,483
Additions	4,134
Disposals	(292)
At 31st March 2021	8,325
<b>DEPRECIATION</b>	
At 1st April 2020	2,526
Charge for year	2,341
At 31st March 2021	4,867
<b>NET BOOK VALUE</b>	
At 31st March 2021	3,458
At 31st March 2020	1,957

Notes to the Financial Statements - continued  
for the year ended 31st March 2021

## 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Sponsorship	480	20,866
Other debtors	625	-
VAT	5,765	7,106
Prepayments	26,817	12,759
	<u>33,687</u>	<u>40,731</u>

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	483	24,397
Other creditors	30,393	26,476
Accruals and deferred income	76,663	31,100
	<u>107,539</u>	<u>81,973</u>

## Deferred income

	2021 £	2020 £
Deferred income at 1 April 2020	5,000	75,403
Amounts deferred during the period	68,250	5,000
Amounts released from previous periods	(5,000)	(75,403)
Deferred income at 31 March 2021	<u>68,250</u>	<u>5,000</u>

Deferred income comprises of sponsorship and advance grant funding received for projects continuing throughout 2021/22.

## 15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Designated fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets	3,458	-	-	3,458	1,957
Current assets	250,706	85,000	238,001	573,707	335,480
Current liabilities	(103,493)	-	(4,046)	(107,539)	(81,973)
	<u>150,671</u>	<u>85,000</u>	<u>233,955</u>	<u>469,626</u>	<u>255,464</u>



Notes to the Financial Statements - continued  
for the year ended 31st March 2021

## 16. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	180,442	2,116	(31,887)	150,671
Designated fund	53,113	-	31,887	85,000
	<u>233,555</u>	<u>2,116</u>	<u>-</u>	<u>235,671</u>
<b>Restricted funds</b>				
Artistic Activities	-	226,032	(112,330)	113,702
James Reckitt Library Trust	21,909	(9,940)	-	11,969
The Vigil	-	(4,046)	-	(4,046)
IN-SITU	-	-	112,330	112,330
	<u>21,909</u>	<u>212,046</u>	<u>-</u>	<u>233,955</u>
<b>TOTAL FUNDS</b>	<u>255,464</u>	<u>214,162</u>	<u>-</u>	<u>469,626</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	286,990	(284,874)	2,116
<b>Restricted funds</b>			
Artistic Activities	296,527	(70,495)	226,032
James Reckitt Library Trust	53	(9,993)	(9,940)
The Vigil	34,211	(38,257)	(4,046)
	<u>330,791</u>	<u>(118,745)</u>	<u>212,046</u>
<b>TOTAL FUNDS</b>	<u>617,781</u>	<u>(403,619)</u>	<u>214,162</u>

Notes to the Financial Statements - continued  
for the year ended 31st March 2021

## 16. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
<b>Unrestricted funds</b>				
General fund	235,162	157,834	(212,554)	180,442
Designated fund	-	-	53,113	53,113
	<u>235,162</u>	<u>157,834</u>	<u>(159,441)</u>	<u>233,555</u>
<b>Restricted funds</b>				
Artistic Activities	-	(160,202)	160,202	-
James Reckitt Library Trust	39,794	(17,885)	-	21,909
Sura Medura	-	111	(111)	-
Cultural Collisions	-	650	(650)	-
	<u>39,794</u>	<u>(177,326)</u>	<u>159,441</u>	<u>21,909</u>
<b>TOTAL FUNDS</b>	<u>274,956</u>	<u>(19,492)</u>	<u>-</u>	<u>255,464</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	433,019	(275,185)	157,834
<b>Restricted funds</b>			
Artistic Activities	445,588	(605,790)	(160,202)
James Reckitt Library Trust	92	(17,977)	(17,885)
Sura Medura	22,684	(22,573)	111
Cultural Collisions	1,300	(650)	650
British Council	12,656	(12,656)	-
	<u>482,320</u>	<u>(659,646)</u>	<u>(177,326)</u>
<b>TOTAL FUNDS</b>	<u>915,339</u>	<u>(934,831)</u>	<u>(19,492)</u>

The restricted funds comprise unspent income which has been raised by the charity for particular purposes or is to be used in accordance with specific restrictions imposed by donors. The balances will be used to fund future expenditure.

The Artistic Activities fund relates to:

- Activities which enhance the annual Freedom Festival.
- Any artistic Activities which take place outside of the Festival time which are developed and ultimately contribute to the organisations purpose and strategy.
- Any artistic activities satisfying the charitable objects of Freedom Festival Arts Trust.

The Vigil fund is in deficit due to the start of the vigil being postponed from March 21 to May 21.

The IN-SITU fund ringfences the value that Freedom Festival Arts Trust has contractually committed to invest as a partner into the (UN)Common Spaces project over the years 2021-2025.

**Notes to the Financial Statements - continued  
for the year ended 31st March 2021**

**16. MOVEMENT IN FUNDS - continued**

The James Reckitt Library Trust fund was created in a series of grants from them for work focused around visual art, spoken word and literature. After the original projects that were funded had completed there was a residual balance which will continue to be used within the scope of the charitable company's objectives in furtherance of the above mentioned art forms.

Freedom Festival Arts Trust has designated, out of general unrestricted funds the amount of £85,000 towards increasing the capacity and resilience of the charity in line with the strategic objectives in its business plan.

**17. RELATED PARTY DISCLOSURES**

**Hull City Council**

An organisation in which M Relph is an employee, D Craker was an elected member and R Pantelakis is an elected member.

During the year sponsorship from Hull City Council was agreed for £200,000 (2020 £200,400).

**18. POST BALANCE SHEET EVENTS**

As the vaccine roll out has enabled the economy to reopen, the 2021 festival was be able to proceed as planned but with alterations according to the prevailing government regulations for COVID 19 at the time.

**19. ULTIMATE CONTROLLING PARTY**

The charitable company, being limited by guarantee, has no share capital and was controlled throughout the period by its members and therefore no one party had ultimate control.