

REGISTERED COMPANY NUMBER: 01480595 (England and Wales)
REGISTERED CHARITY NUMBER: 279714

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017
FOR
CANTERBURY THEATRE AND FESTIVAL TRUST
(A Company Limited by Guarantee)

WEDNESDAY



A19 *A7AG65UR* 18/07/2018 #5
COMPANIES HOUSE

CANTERBURY THEATRE AND FESTIVAL TRUST

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Page
Chairman's Report	1 to 2
Report of the Trustees	3 to 9
Report of the Independent Auditors	10 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 27

CANTERBURY THEATRE AND FESTIVAL TRUST
(A Company Limited by Guarantee)

CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

The Board of the Canterbury Theatre and Festival Trust presents its report for year ending 31 December 2017, which includes the 2017 Festival.

The Canterbury Theatre and Festival Trust is one of Kent's leading arts organisations, producing a two-week (or sometimes three-week) international festival, working year-round to commission and promote performances and exhibitions; working to build future audiences; fostering creative ambition and building talent and skills, and spearheading the cultural life of Canterbury. Its primary focus is the annual international Festival which engages over 60,000 participants and whose profile and income generating powers are channelled in turn into year-round cultural activity for young people and communities who may not otherwise be involved with the arts. As one of Kent's longest established cultural providers, the Festival is ideally placed to work with partners and funders to lead with creative flair, inspire with unique events, and to work with participants from diverse communities in an engaging, professional and cost-effective manner.

The following facts and figures summarise the 2017 Festival. Over 70,000 visitors enjoyed performances and events involving 3,617 local and international artists. 293 events took place, 47% of which were free. 9 new Festival commissions were performed, and 1,148 hours of work experience were provided for local students. 2,880 children and young people participated with 98 achieving an Arts Award. 96% of audiences rated their experience as either "Good" or "Very Good", and 51% of the audience was visiting the Festival for the first-time.

Any artistic endeavour such as the Canterbury Festival will have highs and lows. By common consent, the 2017 Festival was one of the very best in living memory. 43 events sold out, including 3 nights of Casus performing *Driftwood* in the Spiegeltent, the Marlowe Theatre performance by Imelda May, two events from the Science strand, five Cathedral Lodge talks, four family friendly shows and four performances of the Festival's commission *The Masters of Mystery*. A large audience, some of whom had travelled hundreds of miles, rose as one in acclamation of the extraordinarily moving performance of Joby Talbot's *Path of Miracles* by Tenebrae in Canterbury Cathedral – a concert that also featured another 21st century work *Footsteps* in which the Chamber Choir of our Partner and Principal Sponsor Canterbury Christ Church University also took part.

The site for the Festival Spiegeltent (nearer to the City Centre, and with good parking adjacent) continued to prove popular, and the typically varied programme of cabaret and music again attracted many first-time visitors.

But while these highs were very high indeed, there were lows. Arts Council England did not renew our National Portfolio funding and (in March 2018) the Canterbury City Council also cut its funding. Fortunately, the Trustees had already considered these eventualities as part of their plans to ensure the Festival's long-term sustainability. As a result, and with the strong support of our Partner and Principal Sponsor Canterbury Christ Church University, the Dean and Chapter of Canterbury Cathedral, the King's School, several local businesses and many individuals, the Trustees are confident that the Festival will be able, at least in the short-term, to continue confidently. Our emphasis will continue to be on high standards of artistic excellence that surprise and delight capacity audiences, coupled with constant vigilance on costs. While we are grateful to Arts Council England for some continued funding through Grants for the Arts, in the longer term, the Trustees have to contemplate the possibility of a Festival without any form of public funding. The Festival therefore continues to be grateful for continued support from sponsors, Vice Presidents and Friends whose contributions are vital to the achievement of our aspirations. The Trustees are also appreciative for the enthusiastic commitment of those who buy the thousands of tickets the Festival sells each year. This makes the considerable effort involved in staging the Festival so worthwhile and we are grateful for their essential financial support.

On behalf of the Trustees, I should like to place on record our appreciation for the energetic and creative leadership of Rosie Turner, the Festival Director, and her loyal and hard-working staff team who continue to deliver artistic and financial stability, developing the Festival's reputation for excellence and accessibility year on year.

CANTERBURY THEATRE AND FESTIVAL TRUST
(A Company Limited by Guarantee)

CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

I should like to extend my thanks to the large number of volunteers that help each year. They do so with good cheer and their commitment is appreciated.

The Board of Trustees give their time freely to ensure that the Festival remains in good health. Membership of the Board is evolving, and I thank the Trustees, long-standing and more recently appointed, for the lively and professional support that they give to the Festival.

Despite the challenging financial climate, the Festival's goals remain to develop exciting new programmes of artistic excellence in its international Festival while achieving audience numbers to sustain the Festival's financial future and raising its national profile. This will allow it to contribute significantly to support Kent-based artists and reflecting the very best of the City of Canterbury within which it currently operates in a year-round programme of other activities. It is a challenge that the Festival embraces with enthusiasm and with confidence in its long-term future.

Professor Keith Mander
Chairman.



CANTERBURY THEATRE AND FESTIVAL TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2017**

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 31 December 2017. 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 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01480595 (England and Wales)

Registered Charity number

279714

Registered Office

Canterbury Theatre and Festival Trust
8 Orange Street
CANTERBURY
Kent
CT1 2JA

Trustees

Prof. Keith Mander	- Chairman
Dr Kate Neales	- Company Secretary
Hugh Summerfield	- Treasurer
Geraldine Allinson	- Resigned 3 May 2017
Hugo Barton	
Peter Harris	
Peter Hermitage	
Andrew Ironside	
Dr Keith Mclay	- Resigned 5 December 2017
Camilla Swire	
Roderick Loder-Symonds	
Dr Daniel Lloyd	
Rev Canon Christopher Paul Irvine	- Resigned 27 September 2017
Colin Carmichael	
Tony Pratt	
Celia Glynn-Williams	
Tony Walder	

Company Secretary

Dr Kate Neales

Auditors

McCabe Ford Williams
Statutory Auditors
Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

CANTERBURY THEATRE AND FESTIVAL TRUST
(A company limited by guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

REFERENCE AND ADMINISTRATIVE DETAILS - continued

Bankers

National Westminster Bank
City Centre Branch
11 The Parade
Canterbury
Kent
CT1 2SQ

Investment Advisors

Rathbones Brothers Plc
8 Finsbury Close
London
EC2M 7AZ

Solicitors

Gardner & Croft
2 Castle Street
Canterbury
Kent
CT1 2QH

OBJECTIVES AND ACTIVITIES

Objectives and aims

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

Strategies employed to achieve the charity's objectives are: -

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

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Trustees believe the 2017 Festival met the charity's objectives in full. The international programme drew performers from the United States, Russia, France, New Zealand, and Australia with content that spanned from the time of Magna Carta to the modern day. In total over 70,000 people engaged with the Festival, with over 21,500 tickets sold.

In addition to a wide variety of professional performances appealing to a range of audiences there were several school's concerts, and the Festival's comedy competition attracted more applicants from local comedians than the previous year and the final was performed in front of a sold-out audience. This year also saw the launch of the Festival's next stage of the Made in Kent competition, Made in Kent Dance with 11 groups applying and 3 winners performing to a sold out audience in St Mary's Studio Theatre. There was an exhibition in the Cathedral Chapter House, '*The Tapestry of Light*' an exciting and modern interpretation on the iconography and imagery of medieval tapestries combined with cutting edge science to create a glowing display of colour.

CANTERBURY THEATRE AND FESTIVAL TRUST

(A company limited by guarantee)

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2017**

ACHIEVEMENT AND PERFORMANCE – CONTINUED

Highlight events included a festival commission 'Masters of Mystery', which had a sold out run in the Marlowe Studio. 'The Art of Dying Well' an event produced in partnership with The Pilgrims Hospice and the first event that the Festival has lived streamed for those unable to attend the event. The programme of events for children and families was very well received at the Spiegeltent during half-term.

Public Benefit

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

Who used and benefited from our services

Particular attention is given to ensuring that ticket prices remain affordable in an attempt to make the arts as accessible as is feasibly possible. By way of an example, during the festival discounted tickets were made available to students and concessions were offered to schools, colleges and universities to encourage attendance. There was a spread of ticket prices including tickets at £12 for the charity's prestige concerts and approximately 138 'free' events were offered.

There were 3,617 artists/performers engaged by the 2017 Festival. Approximately 300 local artists and local arts groups (amateur) were supported by advice, free marketing and PR support from the Festival. Local artists and performers from all disciplines and age groups were actively sought to participate in the Umbrella, Exhibition and Open House schemes, with the aim to inspire emerging talent on the national stage.

The Festival held a community stage this year during the opening day. Based in two locations within the city centre, the intention of this important community project is to showcase local, young artists to people who would not normally interact with the Festival. Audience figures are estimated at 18,000 compared to 16,500 in 2016.

Once again, the Festival held its annual Schools' poetry competition. Working in partnership with the School of English at the University of Kent, and local poets, the Festival invited 30 schools to enter their pupils into the competition. Free workshops were provided to pupils to develop their writing skills and presentation abilities. The winning pupils were invited to perform at a special prize giving evening.

Youth participation was also encouraged at the Spiegeltent where there were five lunchtime concerts by secondary schools, a 'Primary World Music Showcase' performed by pupils from five primary schools and ten lunchtime concerts performed by students for Canterbury Christ Church University. Audience admittance was free and the events provided an excellent showcasing opportunity for you and emerging talent to perform in an international arts festival. In addition this year the Festival team launched a Discover Hub to enable young people to gain a Discover award from Artsworld, 153 young people attended the discover hub with 71 attaining Discover awards.

Opportunities were provided to students studying locally to gain experience of working in an arts organisation. At the Spiegeltent students from Canterbury Christ Church University Performing Arts and Music Technology worked across the entire three weeks of activities. Students for Canterbury College provided volunteer to act as curators for the display of 'City of the Imagination' and 'Bernardi Roig: Sleepless Light Exercises' in the Cathedral Chapter House. Overall the charity was fortunate to enjoy voluntary assistance from approximately sixty individuals from the local community. These individuals helped to steward events and, for some, this led to the development of new skills and proficiencies.

Fundraising activities

A total of £427,750 (2016: £452,782) excluding box office and programme receipts was raised from grants, Vice Presidents' donations and subscriptions, Gift Aid, general donation, corporate membership, special fundraising and sponsorship.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

ACHIEVEMENT AND PERFORMANCE – CONTINUED

FINANCIAL REVIEW

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

- The Festival's has run four LINK projects working with local charities supporting the Homeless, Children from abusive homes and Hospice Care.
- Arts Award, funded by Artsworld, is a pilot project enabling four young people to produce an arts portfolio for their Bronze Arts Award qualification.

The financial results for the year were satisfactory. The unrestricted Funds before accounting for transfers shows a deficit of £(45,917) (2016: Surplus £13,620).

Restricted Funds show a surplus, before accounting transfers of £2,430 (2016: £2,302) in the year. This activity includes projects such as Capital Bid and 2010 Becket Play costs where the Statement of Recommended Practice, Accounting and Reporting by Charities requires the project income to be recognised when it is received even though expenditure has been incurred some years later.

Gross income was £780,914 (2016: £722,048).

Total resources expended were £850,377 in 2017, compared with £746,792 in 2016.

There were unrealised gains on investments was £25,976 (£40,666 in 2016).

The total reserves, comprising Restricted and Unrestricted Funds, carried forward at the end of year were £614,511 compared with £657,998 in 2016. The Restricted Funds held of £2,430 (2016: £Nil) relate to the successful completion of all outstanding projects.

FUTURE DEVELOPMENTS

The success of the Spiegeltent in 2016 was repeated in 2017 at a new location closer to the heart of the city and the Festival in 2018 will again have a dedicated venue which will allow further growth of audiences, attract a more diverse demographic and enable the Festival to programme new, artistically inventive pieces, moving closer to the centre of Canterbury allowing renewed engagement with local businesses.

The project is in support of the Festival's strategic priority to develop the artistic excellence and breadth of the programme, thereby ensuring great art for all. In particular, it is intended the Spiegeltent will enable the Festival to:

- Develop resilience in the changing face of the region's cultural landscape by offering a unique venue in the City at Festival time – distinguishing the Festival from the year-round cultural offer and raising its profile both within the region and nationally.
- Increase the artistic offering by programming edgier and artistically different events to engage younger audiences with the arts.
- Help to diversify the Festival's donor profile by creating an attractive offering that appeals to affluent, young professionals.
- Provide young performers with an opportunity to play in a wonderful setting, which for many will be their first public performance.
- Develop a sustainable package of fundraising initiatives to enable the continuation of this new strand of programming.

CANTERBURY THEATRE AND FESTIVAL TRUST
(A company limited by guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new trustees

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

Induction and training of new trustees

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

Organisational structure

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

Related parties

The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust (the charity). The aim of the organisation is to raise endowment funds which can be invested, and income used for the benefit of Canterbury Theatre and Festival Trust. The Canterbury Theatre and Festival Trust has the power to appoint Trustees to the Canterbury Festival Foundation. In 2017, the Foundation donated £20,000 (2016: £Nil) to the charity.

The Friends of Canterbury Festival is an organisation incorporated as from June 2004 within the Canterbury Festival Foundation which raises funds for Canterbury Theatre and Festival Trust. In 2017, the Friends donated a total of £16,000 (2016: £25,000) to the charity.

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

Risk management

The charity's risk management strategy includes: -

1. A bi-annual review of the risks the charity may face.
2. The establishment of systems and procedures to mitigate those risks identified in the delivery of the Festival's Strategic Plan 2017-2021 created in 2016 for the period to 2021.

CANTERBURY THEATRE AND FESTIVAL TRUST

(A company limited by guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT - CONTINUED

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

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

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

Reserve policy

The Trustees have established the level of reserve, freely available funds, at a level which: -

1. Notes the requirements to cover the charity's working capital on a day-to-day basis.
2. Meet forward liabilities in advance of income.
3. Fund non-profit making performances for the benefit of the community.
4. Generally, comply with sound financial management.

The Reserves Policy is to retain approximately one year's overhead costs of £300,000, with £200,000 to cover unforeseen programming difficulties. The Trustees acknowledge there is little guarantee in the forward funding budgets, whether from central or local government and other regulated bodies. Consequently, the reserve policy should provide a cushion to meet any adverse downturns.

As noted above, sub-committees are established in the area of finance and sponsorship and strategy and planning. It is recognised by the Trustees that these sub-groups are important to the long-term sustainability of the charity.

CANTERBURY THEATRE AND FESTIVAL TRUST
(A company limited by guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

Investment policy and objectives

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

The Trustees have decided to invest £300,000 of the Unrestricted reserves with Rathbone's Investments for a period of two years. The Trustees have set an ethical approach to the Festivals' investment portfolio. It does not wish to: -

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Canterbury Theatre and Festival 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 Statement of Recommended Practice (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: -

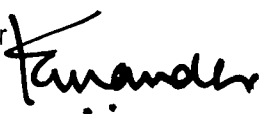
- There is no relevant audit information of which the charitable company's auditors are unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Prof. Keith Mander

Chairman



Hugh Summerfield

Trustee



Date: 12 April 2018

CANTERBURY THEATRE AND FESTIVAL TRUST
(A company limited by guarantee)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CANTERBURY THEATRE AND FESTIVAL TRUST

Opinion

We have audited the financial statements of Canterbury Theatre and Festival Trust (the 'charitable company') for the year ended 31 December 2017 on pages twelve to twenty seven. 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 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, 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.

Opinion 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
CANTERBURY THEATRE AND FESTIVAL 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 set out on page eight, 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.

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.

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. This description forms part of our Report of the Independent Auditors.



Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
SITTINGBOURNE
Kent
ME10 4AE

Date: 12 April 2018

CANTERBURY THEATRE AND FESTIVAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2017

		Unrestricted funds	Restricted funds	31.12.17 Total funds	31.12.16 Total funds
	Notes	£	£	£	£
INCOMING AND ENDOWMENTS FROM					
Donations and legacies	2	95,395	-	95,395	74,409
Charitable activities					
Promotion of the Arts	5	503,155	8,500	511,655	490,341
Other trading activities	3	161,727	-	161,727	149,639
Investment income	4	<u>12,137</u>	<u>-</u>	<u>12,137</u>	<u>7,659</u>
Total incoming resources		772,414	8,500	780,914	722,048
EXPENDITURE ON					
Raising funds	2	85,082	-	85,082	92,679
Charitable activities					
Promotion of the Arts	5	666,313	6,070	672,383	586,744
Other trading activities	3	92,902	-	92,902	67,238
Management of investment income	4	<u>10</u>	<u>-</u>	<u>10</u>	<u>131</u>
Total resources expended		844,307	6,070	850,377	746,792
Net gains/(losses) on investments		<u>25,976</u>	<u>-</u>	<u>25,976</u>	<u>40,666</u>
NET (EXPENDITURE) / INCOME		(45,917)	2,430	(43,487)	15,922
Transfers between funds	17	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		(45,917)	2,430	(43,487)	15,922
RECONCILIATION OF FUNDS					
Total funds brought forward		657,998	-	657,998	642,076
TOTAL FUNDS CARRIED FORWARD		<u>612,081</u>	<u>2,430</u>	<u>614,511</u>	<u>657,998</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Company Number: 01480595

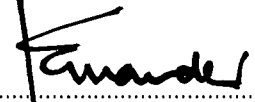
CANTERBURY THEATRE AND FESTIVAL TRUST (REGISTERED NUMBER: 01480595)

BALANCE SHEET
AT 31 DECEMBER 2017

	Notes	31.12.17 £	31.12.16 £
FIXED ASSETS			
Tangible assets	11	8,718	10,147
Investments	12	<u>394,507</u>	<u>356,431</u>
		403,225	366,578
CURRENT ASSETS			
Debtors	13	63,095	22,997
Cash at bank and in hand		<u>173,940</u>	<u>294,912</u>
		237,035	317,909
CREDITORS			
Amounts falling due within one year	14	(25,749)	(26,489)
NET CURRENT ASSETS		<u>211,286</u>	<u>291,420</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		613,511	657,998
NET ASSETS		<u>614,511</u>	<u>657,998</u>
FUNDS	17		
Unrestricted funds		610,619	656,536
Designated funds		1,462	1,462
Restricted funds		<u>2,430</u>	<u>-</u>
TOTAL FUNDS		<u>614,511</u>	<u>657,998</u>

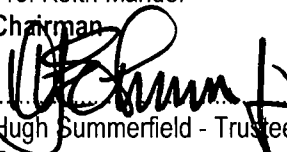
This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 12 April 2018 and were signed on its behalf by:


.....

Prof Keith Mander

Chairman


.....

Hugh Summerfield - Trustee

Treasurer

CANTERBURY THEATRE AND FESTIVAL TRUST**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	31.12.17 £	31.12.16 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>(122,726)</u>	<u>(33,314)</u>
Net cash provided by (used in) operating activities		<u>(122,726)</u>	<u>(33,314)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(4,153)	(2,813)
Sale of fixed asset investments		271	-
Interest received		<u>37</u>	<u>469</u>
Net cash provided by (used in) investing activities		<u>(3,845)</u>	<u>(2,344)</u>
Change in cash and cash equivalents in the reporting period		(126,571)	(35,658)
Cash and cash equivalents at the beginning of the reporting period	2	294,758	330,416
Cash and cash equivalents at the end of the reporting period	2	<u>168,187</u>	<u>294,758</u>

CANTERBURY THEATRE AND FESTIVAL TRUST

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.17	31.12.16
	£	£
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	(43,487)	15,922
Adjustments for:		
Depreciation charges	5,311	4,876
Gain on investments	(25,976)	(40,666)
Interest received	(37)	(469)
Dividends received and re-invested	(12,100)	(7,190)
(Increase)/decrease in debtors	(40,097)	(2,999)
Donated shares	-	(8,575)
Increase/(decrease) in creditors	<u>(6,340)</u>	<u>5,787</u>
Net cash provided by (used in) operating activities	<u><u>(122,726)</u></u>	<u><u>(33,314)</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.12.17	31.12.16
	£	£
Cash in hand	110	29
Notice deposits (less than 3 months)	173,830	294,883
Overdrafts included in bank loans and overdrafts falling due within one year	<u>(5,753)</u>	<u>(154)</u>
Total cash and cash equivalents	<u><u>168,187</u></u>	<u><u>294,758</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. 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 2015)', 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 with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

Governance costs

Governance costs comprise the costs of running the charity and external audit.

Allocation and apportionment of costs

Support costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Where support costs can not be attributed directly they are apportioned using income as the basis.

Tangible fixed assets

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

Leasehold Improvements	- over remaining term of lease
Marketing Equipment	- 33.33% and 20% on cost
Office Furniture	- 25% on cost
Office Computers	- 25% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES - continued

Fund accounting

Funds held by the Charity are either:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Company status

In the event of the winding up of the Charity each member of the Charity undertakes to contribute such sum as may be required, not exceeding £1 each.

Fixed Asset Investments

Fixed Asset Investments are included in the Balance Sheet at market value. Unrealised gains or losses during the year are included in the Statement of Financial Activities.

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.

Financial instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

c) Trade and other creditors

Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument..

CANTERBURY THEATRE AND FESTIVAL TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES - continued

Functional currency and presentation currency

The company's functional currency is British Pound Sterling (GBP), which is also the presentation currency for the company. The financial statements are therefore presented in British Pound Sterling.

Estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including future events that are believed to be reasonable under the circumstances.

The net book value of tangible fixed assets is based on assumptions related to the useful life of the assets, impacting on the depreciation basis used. Any changes in these assumptions will have an impact on the carrying amount of fixed assets.

2. DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	31.12.17 £	31.12.16 £
Receipts:				
Donations	89,669	-	89,669	69,297
Gift aid	5,726	--	5,726	5,112
	<u>95,395</u>	<u>--</u>	<u>95,395</u>	<u>74,409</u>
Support costs – see note 6	85,082	--	85,082	92,679
	<u>85,082</u>	<u>--</u>	<u>85,082</u>	<u>92,679</u>
Net incoming/(outgoing) resources	<u>10,313</u>	<u>--</u>	<u>10,313</u>	<u>(18,270)</u>

As detailed in note 6, the majority of support costs allocated to the raising of donations are staff costs. The time spent by staff in any one year can outweigh individual donations received but the work done in this area raises the profile of the Festival and its programme of events. This impact cannot easily be measured. It is therefore not easily possible (or cost-effective) to disaggregate these staff costs between the costs of raising donations (note 2) and other trading activities (including sponsorship, events and subscriptions) (note 3). Accordingly, the Trustees consider that it is appropriate to allocate the time spent by staff solely to the activities above, and other costs to the activities under note 3. The most accurate picture can be gained by seeing the two elements together.

CANTERBURY THEATRE AND FESTIVAL TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

3. OTHER TRADING ACTIVITIES

	Unrestricted £	Restricted £	31.12.17 £	31.12.16 £
Receipts:				
Fundraising events	5,090	-	5,090	7,683
Sponsorship	107,217	-	107,217	107,250
Subscriptions	13,957	-	13,957	11,087
Advertising	13,825	-	13,825	11,038
Rental and other income	<u>21,638</u>	<u>-</u>	<u>21,638</u>	<u>12,581</u>
	161,727	-	161,727	149,639
Support costs – see note 6	71,188	-	71,188	59,396
Fundraising costs	21,714	-	21,714	7,842
	<u>92,902</u>	<u>-</u>	<u>92,902</u>	<u>67,238</u>
Net incoming resources	<u>68,825</u>	<u>-</u>	<u>68,825</u>	<u>82,401</u>

4. INVESTMENT INCOME

	Unrestricted £	Restricted £	31.12.17 £	31.12.16 £
Receipts:				
Income from listed investments	12,100	-	12,100	7,190
Bank interest receivable	37	-	37	469
	<u>12,137</u>	<u>-</u>	<u>12,137</u>	<u>7,659</u>
Support costs – see note 6	10	-	10	131
	<u>10</u>	<u>-</u>	<u>10</u>	<u>131</u>
Net incoming resources	<u>12,127</u>	<u>-</u>	<u>12,127</u>	<u>7,528</u>

CANTERBURY THEATRE AND FESTIVAL TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

5. CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	31.12.17 £	31.12.16 £
Receipts:				
Box office/Other events	302,582	-	302,582	266,391
Nightly programme sales	2,820	-	2,820	2,875
Grants	197,753	8,500	206,253	221,075
	<u>503,155</u>	<u>8,500</u>	<u>511,655</u>	<u>490,341</u>
Support costs – see note 6	197,489	-	197,489	167,883
Artist, venue, technical & box office costs	439,127	6,070	445,197	387,964
Nightly programme costs	3,557	-	3,557	3,595
Project costs	-	-	-	1,205
Auditors remuneration	4,500	-	4,500	4,000
Professional fees	2,113	-	2,113	1,774
Insurance	4,814	-	4,814	4,815
Education costs	14,713	-	14,713	7,380
Property repairs	-	-	-	8,128
	<u>666,313</u>	<u>6,070</u>	<u>672,383</u>	<u>586,744</u>
Net incoming/(outgoing) resources	<u>(163,158)</u>	<u>2,430</u>	<u>(160,728)</u>	<u>(96,403)</u>

Grants received, included in the above, are as follows:

	31.12.17 £	31.12.16 £
Canterbury City Council	33,464	33,464
Kent County Council	8,500	8,800
Dean & Chapter of Canterbury Cathedral	10,000	10,000
Non-recurrent grants	1,001	25,071
Arts Council England	143,740	143,740
H R Pratt Boorman Trust	1,000	-
LINK Project	8,548	-
	<u>206,253</u>	<u>221,075</u>

CANTERBURY THEATRE AND FESTIVAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2017

6. SUPPORT COSTS

	Voluntary Income	Activities for generating income	Investment income	Charitable activities	31.12.17	31.12.16
	£	£	£	£	£	£
Unrestricted funds:						
Salaries	63,616	56,384	7	139,958	259,965	221,870
Marketing	8,291	6,065	1	37,853	52,210	48,792
Administration	489	280	-	547	1,316	1,027
Educational projects	559	349	-	682	1,590	7,106
Website	449	273	-	535	1,257	1,346
Office costs	4,543	3,256	1	7,671	15,471	17,618
Premises costs	2,651	1,887	-	4,464	9,002	9,797
Sundry costs	4,484	2,694	1	5,779	12,958	12,534
	<u>85,082</u>	<u>71,188</u>	<u>10</u>	<u>197,489</u>	<u>353,769</u>	<u>320,090</u>

7. NET INCOME/(EXPENDITURE)

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

	31.12.17	31.12.16
	£	£
Auditors' remuneration	4,500	4,000
Professional fees	2,113	1,774
Depreciation - owned assets	<u>5,311</u>	<u>4,876</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2017 nor for the year ended 31 December 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2017 nor for the year ended 31 December 2016.

9. INDEMNITY INSURANCE

During the year the Charity paid £4,814 (2016: 4,815) for a complete insurance policy to include indemnity cover for the organisation and its Trustees from loss arising from the neglect or defaults of its Trustees and Officers.

CANTERBURY THEATRE AND FESTIVAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2017

10. STAFF COSTS

	31.12.17	31.12.16
	£	£
Wages and salaries	229,949	201,512
Social security costs	22,308	16,386
Other pension costs	7,708	3,972
	<u>259,965</u>	<u>221,870</u>

There were no employees earning more than £60,000 in the year under review (2016: Nil)

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

	31.12.17	31.12.16
Administration	7	6
Marketing	1	1
	<u>8</u>	<u>7</u>

11. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Marketing Equipment £	Office Furniture £	Office Computers £	Totals £
COST					
At 1 January 2017	45,284	6,500	2,445	17,793	72,022
Additions	-	-	-	4,153	4,153
Disposals	-	-	(329)	(1,547)	(1,876)
At 31 December 2017	<u>45,284</u>	<u>6,500</u>	<u>2,116</u>	<u>20,399</u>	<u>74,299</u>
DEPRECIATION					
At 1 January 2017	41,397	2,347	2,445	15,686	61,875
Charge for year	670	2,167	-	2,474	5,311
Eliminated on disposal	-	-	(329)	(1,276)	(1,605)
At 31 December 2017	<u>42,067</u>	<u>4,514</u>	<u>2,116</u>	<u>16,884</u>	<u>65,581</u>
NET BOOK VALUE					
At 31 December 2017	<u>3,217</u>	<u>1,986</u>	<u>-</u>	<u>3,515</u>	<u>8,718</u>
At 31 December 2016	<u>3,887</u>	<u>4,153</u>	<u>-</u>	<u>2,107</u>	<u>10,147</u>

CANTERBURY THEATRE AND FESTIVAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2017	356,431
Additions	12,100
Revaluations	<u>25,976</u>
At 31 December 2017	<u>394,507</u>
 NET BOOK VALUE	
At 31 December 2017	<u>394,507</u>
At 31 December 2016	<u>356,431</u>

The historical cost of the investments as at 31 December 2017 is £327,864 (2016: £315,765).

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Trade debtors	21,044	14,616
Other debtors	6,376	320
Social security and other taxes	21,500	4,257
Prepayments and accrued income	<u>14,175</u>	<u>3,804</u>
	<u>63,095</u>	<u>22,997</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Bank loans and overdrafts (see note 15)	5,753	154
Trade creditors	7,612	3,107
Social security and other taxes	-	-
Other creditors	<u>12,384</u>	<u>23,228</u>
	<u>25,749</u>	<u>26,489</u>

CANTERBURY THEATRE AND FESTIVAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2017

15. LOANS

An analysis of the maturity of loans is given below:

	31.12.17 £	31.12.16 £
Amounts falling due within one year on demand:		
Bank overdraft	<u>5,753</u>	<u>154</u>

It should be noted that at no point during the accounting period was any bank account of the trust overdrawn. The bank account concerned has a sweep facility and the overdrawn position disclosed above is a book balance only caused by the existence of an unrepresented item.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31.12.17 Total funds £	31.12.16 Total funds £
Fixed assets	8,718	-	8,718	10,147
Investments	394,507	-	394,507	356,431
Current assets	234,605	2,430	237,035	317,909
Current liabilities	<u>(25,749)</u>	<u>-</u>	<u>(25,749)</u>	<u>(26,489)</u>
	<u>612,081</u>	<u>2,430</u>	<u>614,511</u>	<u>657,998</u>

	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Total £
Fixed Assets	8,718	-	-	8,718
Investments	394,507	-	-	394,507
Current Assets	233,143	1,462	2,430	237,035
Current Liabilities	<u>(25,749)</u>	<u>-</u>	<u>-</u>	<u>(25,749)</u>
	<u>610,619</u>	<u>1,462</u>	<u>2,430</u>	<u>614,511</u>

CANTERBURY THEATRE AND FESTIVAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

17. MOVEMENT IN FUNDS

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.17 £
Unrestricted funds				
General fund	656,536	(45,917)	-	610,619
Restricted funds				
General funds	-	2,430	-	2,430
Designated funds				
Orange Street maintenance fund	1,462	-	-	1,462
TOTAL FUNDS	<u>657,998</u>	<u>(43,487)</u>	<u>-</u>	<u>614,511</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	772,414	(844,307)	25,976	(45,917)
Designated funds				
Orange Street maintenance fund	-	-	-	-
Restricted funds				
General fund	<u>8,500</u>	<u>(6,070)</u>	<u>-</u>	<u>2,430</u>
TOTAL FUNDS	<u>780,914</u>	<u>(850,377)</u>	<u>25,976</u>	<u>(43,487)</u>

Designated funds

Orange Street Maintenance Fund

The board has designated the funds that it has specifically earmarked for necessary building maintenance.

Restricted funds

Restricted funds in respect of Kent Arts Investment (£4,500) and the Visual Evaluation of Made in Kent (£4,000) were received during the year. Of the funds received, The Kent Arts Investment funding was fully spent whereas only £1,570 of the Made in Kent funding was spent.

CANTERBURY THEATRE AND FESTIVAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED **FOR THE YEAR ENDED 31 DECEMBER 2017**

18. RELATED PARTY DISCLOSURES

As noted in the Report of the Trustees, Canterbury Theatre and Festival Trust has a close relationship with Canterbury Festival Foundation. The Canterbury Festival Foundation was incorporated in 2002 as a charitable company limited by guarantee, in order to promote and support the charitable objects of the Canterbury Theatre and Festival Trust. From the excess of income over expenditure, the Foundation made a donation totalling £36,000 (2016: £20,000) to the Canterbury Theatre and Festival Trust in order to support its charitable activities for the year to December 2017.

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

19. COMPANY STATUS

Canterbury Theatre and Festival Trust is a company limited by guarantee and incorporated on 20 February 1980. It is registered as a charity with the Charity Commission. According to the Articles of Association, the maximum number of members is limited to 50, each of whom has agreed to contribute the sum not exceeding £1 in the event of the charity ceasing to operate. The Trustees can increase this number, if they so wish. (This is permitted in the Memorandum and Articles).

CANTERBURY THEATRE AND FESTIVAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

20. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	74,409	-	74,409
Charitable activities			
Promotion of the Arts	474,085	16,256	490,341
Other trading activities	149,639	-	149,639
Investment income	<u>7,659</u>	<u>-</u>	<u>7,659</u>
Total	705,792	16,256	722,048
EXPENDITURE ON			
Raising funds	92,679	-	92,679
Charitable activities			
Promotion of the Arts	572,790	13,954	586,744
Other trading activities	67,238	-	67,238
Management of investment income	<u>131</u>	<u>-</u>	<u>131</u>
Total	732,838	13,954	746,792
Net gains/(losses) on investments	<u>40,666</u>	<u>-</u>	<u>40,666</u>
NET INCOME	13,620	2,302	15,922
Transfers between funds	<u>46,877</u>	<u>(46,877)</u>	<u>-</u>
Net movement in funds	60,497	(44,575)	15,922
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>597,501</u>	<u>44,575</u>	<u>642,076</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>657,998</u></u>	<u><u>-</u></u>	<u><u>657,998</u></u>