

RYE ARTS FESTIVAL CIO
Registered charity no. 1175309

Trustees' Report and Financial Statements
For the year ended 31 December 2018

CHATSWOOD ASSOCIATES
Abingworth
New England Lane
Rye, East Sussex TN31 7NT

RYE ARTS FESTIVAL CIO
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For the year ended 31 December 2018

Contents

	Page
Charity information	3
Trustees' Report	4-6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10-14

RYE ARTS FESTIVAL CIO

Trustees' Report and Financial Statements

For the year ended 31 December 2018

Charity Information

Trustees:	Mike Eve	Chairman
	John Phillips	Treasurer
	Michael Sweeney	
	Andrew Stuart	
	Elsbeth Rankin	Appointed 6th September 2018
	Linda Harland	Appointed 6th September 2018
	Jane Fitch	Appointed 6th September 2018
	John Case	Appointed 6th September 2018

Registered Charity Number: 1175309

Registered address: Abingworth
New England
Lane
Rye, East Sussex TN31 7NT

Accountants: Chatswood Associates
Abingworth
New England
Lane
Rye, East Sussex TN31 7NT

Main Bankers: CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

RYE ARTS FESTIVAL CIO

Trustees' report for the year ended 31 December 2018

The Trustees present their report with the financial statements for the Charity for the above period.

The financial statements of the charity which is a Charitable Incorporated Organisation (CIO) have been prepared in accordance with the Charities SORP (FRS102) "Accounting and Reporting by Charities: Statements of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

OBJECTS AND ACTIVITIES

The objects of the charitable incorporated organisation are to advance education for the public benefit by promoting and providing opportunities for the appreciation, understanding and enjoyment of the arts and in particular music, opera, dance, film, literature and the visual arts, through an annual arts festival in and around Rye, and other activities from time to time.

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Document

Rye Arts Festival CIO, formerly Rye Arts Festival, was constituted by the Constitution dated 16 October 2017. The CIO took over from the Rye Arts Festival charity no 270474 on 1 January 2018.

Appointment of Trustees

The maximum number of Trustees is eight. Trustees serve for a three-year period retiring by rotation and are decided by the members at Annual General Meeting. Vacancies between AGMs may be filled by the existing Trustees.

Trustee induction and training

New Trustees are provided with information on structure, business plans and recent financial performance of the CIO and are encouraged to consult with the Officers to facilitate the understanding of their role.

Organisation

The Board of Trustees is responsible for the management of the CIO. It regularly considers the operational risks that the Charity faces and is satisfied that it has adequate systems in place to minimise their impact. The Board has appointed, on an annual basis, a Festival Organising Committee and monitors its compliance with standing orders and terms of reference.

Health and Safety

Following the 2017 Festival the Trustees established a Health and Safety subcommittee to advise on policy and implementation. During the year all appropriate personnel underwent First Aid Training and gained a Certificate. All key venues used in the 2018 Festival were risk assessed.

ACHIEVEMENTS AND PERFORMANCE

The forty-seventh Festival took place in September 2018. 54 ticketed events were presented (with 3750 tickets sold, a 7% decrease on 2017). Additional performances included free events on the opening day plus those presented by the Mermaid Inn, Rye Art Gallery, Rye Photography Society and World of Legend. Our themes were the centenary of the end of WW1 and female emancipation. We believe that our events were again recognised for the quality of acts presented and the range and diversity of the events. This year our financial performance was disappointing due to a combination of lower ticket sales and higher operating and event costs, however our sponsorship again achieved the high level of 2017. The Trustees and Organising committee have carried out a strategic review and agreed steps for addressing this issue and laying out a three-year framework leading up to the 50th Anniversary of the Festival in 2021.

Classical music highlights included marvellous performances from Roderick Williams, Danny Driver, Dame Emma Kirkby, The Revolutionary Drawing Room and Ani Batikian and Roland Roberts. The City of London Choir engulfed us with their marvellous renderings. Richard Suart delighted us with his highly professional

RYE ARTS FESTIVAL CIO

Trustees report (continued)

and witty snapshots of Gilbert and Sullivan, Tom Lehrer and Flanders and Swann. We were entranced by the pupils of St Ronan's Prep School and up and coming musicians Laura Snowden playing Guitar and the Buck Brass Trio, both sponsored by the Worshipful Company of Musicians. We would like to thank the Fairlight Arts Trust for facilitating the concert featuring Kenny Broberg and the Hastings Philharmonic Orchestra. We were also pleased to host the Rye based concert pianist Anne Marshall accompanied by flautist Lorna McGhee. Alisdair Kitchen and Euphonia studio again showed their skill and creativity with Poulenc's opera Les Mamelles de Tiresias and earlier in the year Stephen Sondheim's Marry Me A Little but sadly not shared with a large enough audience. A most important new feature was the introduction of an Outreach professional, Maurig Thomas, to work with local schools and he did a brilliant job and will be returning in the New Year.

The literary programme was very varied and covered interesting topics. We started with Dame Joan Ruddock interviewed by Michael Foster and ended with Dame Jenni Murray interviewed by Andy Bantock. In between we enjoyed a cricket conundrum by Graeme Lloyd, an environmental initiative by Craig Sams, an evaluation of Serial Killers by Paul Harrison and an architectural renovation by Alastair Fairley. We also enjoyed a brilliant display of the mastery of quilting. We were made to think very seriously about the state of British justice by John Cooper QC and John Benjamin, of Antiques Roadshow fame, gave a stimulating talk on the history of jewellery and appraised some 20 items for our customers.

Digital technology is proving opportunities for events using mixed media and this year we presented two excellent examples. Namely the awe-inspiring Black Dog - the Dreams of Paul Nash by Dave McKean and The Adventures of Andy Kershaw, the music guru and radio and TV presenter. Both were highly entertaining and deserved larger audiences.

The contemporary music programme was again exploring a range of specialities and this year bringing back some favourites from the past. In particular we welcomed back the ever popular Irish band Dervish who were brilliant and a sell-out. The Congolese band Mose Fan were very exciting and had everyone dancing as did The Hotfoot Specials. The cycle was completed by the highly renowned and award winning Irish singer Daoiri Farrell who wowed the audience.

Our drama offering was very strong with brilliant humour from the Dads Army Radio Hour team to the incredibly moving performance of The First War Poet Am I which crystallised our WW1 theme. We also again enjoyed the talents of Martin Wimbush, accompanied by Michel DuVoisin, sharing his experiences of William Shakespeare.

Our film programme started off with IF as it was its 50th anniversary and the script writer, Rye local John Howlett, facilitated a very lively Q&A. This was followed by Oh! What A Lovely War and the melodramatic Black Narcissus to reflect its associations with Lamb House. All were well attended.

The Romney Marsh Churches Tour again sold out and the Winchelsea cellars tours continue to be popular as does the Nature Reserve tour by Barry Yates.

We would like to thank all our venue providers for their assistance and we were pleased this year to return to the beautiful Winchelsea church. The logistics of using a range of venues are complicated and put strain on our service providers such as Andy Bantock, our light and sound expert and Pete Anderson of Fletchers House restaurant who provides our bar facilities in a very professional manner. We would particularly like to thank the Rye Camera Club for capturing the images at our events and for presenting their exhibition during the Festival.

Volunteers Members and Sponsors

The Festival depends for its existence on its volunteers, its members and its personal and business sponsors. In combination they allow us to bring world class acts to Rye and charge very reasonable ticket prices, thereby meeting our charitable objective of promoting the arts and providing experiences which will encourage people to participate.

I would also like to thank my fellow Trustees and all the members of the Organising Committee.

RYE ARTS FESTIVAL CIO

Trustees report (continued)

FINANCIAL REVIEW

On 1 January 2018 the CIO took over the assets and liabilities of the Rye Arts Festival Charitable Trust (Old Charity). Although it was a different legal entity these accounts show as comparatives the 2017 results of the Old Charity as the Trustees feel that this will assist members in interpreting the results.

The accounts for the year ended 31st December 2018 are attached to this report. The accounts show a deficit of £21,623 (2017 Old Charity surplus of £7,759). The deficit is due to lower ticket sales, further investment in the internet booking facilities (charged as expenses) and an increase in artist costs and fees. The Trustees will be proposing changes in the marketing strategy and these will be tabled at the AGM.

Reserves Policy

The policy of the Trustees is to maintain sufficient reserves, which in the opinion of the Trustees, allow them to cover management and administration costs and plan for future years' Festivals.

Investment powers and policy

The Trust Deed authorised the Trustees to make and hold investments using the General Funds of the CIO. The Trustees having regard to the cash flow requirements of the Charity keep available funds in interest bearing accounts.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and which enable them to ensure that the financial statements of the charity comply with Charity Commission guidance and for maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FUTURE PLANS

Recently, the Board has appointed four new Trustees with complementary skills who will help us address the challenges facing us. A framework three-year plan has been established. The intention is that during this period the Board will be seeking to broaden audience base and introduce new forms of event which will help achieve that. The Board aims to move on from simply looking at the year ahead as this leaves the CIO vulnerable to artists not being available in that time-frame and limits marketing effectiveness. The Trustees are keen to develop the membership base and to increase involvement by them in the Festival

APPROVAL

This report was approved by the Trustees and signed on their behalf.

Mike Eve
Chairman
8th January 2019

RYE ARTS FESTIVAL CIO

Independent Examiners Report to the Trustees

I report on the unaudited accounts of the charity for the year ended 31 December 2018 set out on pages 1 to 14.

Respective Responsibilities of the Trustees and the Independent Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters is set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

David Andrews ACIB, MCICM, FCT
Chatswood Associates
Abingworth
New England Lane
Rye, East Sussex, TN31 7NT

Date 7th January 2019

RYE ARTS FESTIVAL CIO
Statement of Financial Activities
for the year ended 31 December 2018

	Notes	Unrestricted Funds	
		2018	Old Charity 2017
		£	£
Income:			
Donations	2	32,747	31,820
Charitable activities	3	55,881	64,275
Investment income		101	288
Membership		9,289	9,072
Other income		-	15
Total income		98,018	105,470
Expenditure:			
Charitable Activities	4	119,641	97,711
Total expenditure		119,641	97,711
Net income/ (expenditure)		(21,623)	7,759
being net movement of funds for the period			
Reconciliation of funds			
Total funds brought forward at 1 January		62,123	54,364
Total funds carried forward at 31 December		40,500	62,123

The accompanying notes form part of these financial statements.

RYE ARTS FESTIVAL CIO
Balance Sheet as at 31 December 2018

	Notes	2018		Old Charity 2017	
		£	£	£	£
Fixed assets	10		2,947		3,758
Current assets					
Debtors	11	7,329		5,699	
Cash at bank and in hand	14	<u>31,148</u>		<u>54,669</u>	
		<u>38,477</u>		<u>60,368</u>	
Current liabilities					
Creditors	12	<u>924</u>		<u>2,003</u>	
		<u>924</u>		<u>2,003</u>	
Net current assets			37,553		58,365
Total assets less current liabilities			<u>40,500</u>		<u>62,123</u>
Funds					
Unrestricted funds	15		<u>40,500</u>		<u>62,123</u>

Approved by the Board of Trustees on 8th January 2019 and signed on its behalf by

Mike Eve
Chairman

The accompanying notes form part of these financial statements.

RYE ARTS FESTIVAL CIO
Notes to the financial statements
for the year ended 31 December 2018

1 Accounting Policies

1.1 Basis of preparation of accounts

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP(FRS102) 'Accounting and Reporting by Charities: Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

1.2 Tangible fixed assets for use by the charity and depreciation

Tangible fixed assets costing at least £500 for use by the charity are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over the expected useful lives on the following basis:

Equipment from the Old Charity	- 30% pa straight line basis
Equipment and software	- 20% pa straight line basis

1.3 Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity:
- there is sufficient certainty that receipt of the income is considered probable
- the amount can be measured reliably.

1.4 Interest receivable

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

1.5 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

1.6 Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity heading:

- Expenditure on charitable activities includes the costs of events and educational activities undertaken to further the purposes of the charity and their associated support costs.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.7 Allocation of support costs

Support costs are those functions that assists the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, and governance costs which support the Charity's artistic programmes and activities.

RYE ARTS FESTIVAL CIO

Notes to the financial statements (continued) for the year ended 31 December 2018

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 The Old Charity

The Old Charity is no longer a going concern. At the 2017 AGM, having taken independent advice, it was resolved to dissolve the charity and transfer the assets to a Charitable Incorporated Organisation with similar objects. The new charity has now been established and charity number 270494 ceased operation on 31 December 2017 and the assets were transferred to its successor on 1 January 2018.

1.13 Volunteers

The Festival is run almost entirely by unpaid volunteers and their input continues to be a key element in the Festival's ability to control expenditure.

1.14 First Year Adoption

The financial statements for the year ended 31 December 2017 were the first financial statement that comply with SORP FRS102. The date of transition was 1 January 2017.

At the date of transition, and subsequently, no items have been identified as needing adjustment in the transition from FRSSE2015 to SORP FRS102. Therefore, no reconciliation of equity or profit are included in the financial statements.

		Old Charity
2 Donations	2018	2017
Festival sponsorship	26,585	26,480
Donations	513	957
Gift aid	5,649	4,383
	<u>32,747</u>	<u>31,820</u>

RYE ARTS FESTIVAL CIO

Notes to the financial statements (continued) for the year ended 31 December 2018

	2018		Old Charity 2017	
	£	£	£	£
3 Charitable activities				
Income				
Ticket and programme sales	51,829		60,084	
Bars (net)	1,100		873	
Advertising revenue	2,890		3,260	
Other income (non-festival)	62		58	
Total income		55,881		64,275
Less expenditure				
Direct cost of events	77,208		65,118	
Other Festival expenses	5,078		4,044	
Printing and design	6,014		6,323	
Publicity expenses	8,293		9,515	
Other costs (non-festival)	-		700	
Total expenditure		96,593		85,700
Net income/(costs)		(40,712)		(21,425)
Festival sponsorship (note 2)		26,585		26,480
Festival surplus/ (deficit)		<u>(14,127)</u>		<u>5,055</u>
4 Expenditure				
Direct costs		96,593		85,700
Governance costs (note 6)		690		652
Support costs (note 5)		22,358		11,359
		<u>119,641</u>		<u>97,711</u>
5 Membership and support costs				
Advisors		5,000		1,250
Stationery and postage		1,440		1,557
Website costs		8,132		2,892
Subscriptions and sundry expenses		948		1,168
Insurance		1,590		1,518
Legal fees		550		-
Accountancy		1,050		-
Telephone		866		873
Bank charges		1,419		1,438
Depreciation		1,363		663
		<u>22,358</u>		<u>11,359</u>

RYE ARTS FESTIVAL CIO

Notes to the financial statements (continued) for the year ended 31 December 2018

6	Governance costs		Old Charity
		2018	2017
		<i>£</i>	<i>£</i>
	Committee expenses	184	102
	AGM costs	506	550
		690	652
		690	652
7	Staff costs		
	No remuneration was paid to Trustees in the year		
8	Trustees' expenses		
	There were no Trustee expenses during the period.		
9	Related party transactions		
	There were no related party transactions during the year.		
10	Fixed assets for use by the Charity	Equipment	Software
		<i>£</i>	<i>£</i>
		<i>£</i>	<i>£</i>
	Fixed Assets		
	At 1 January 2018	3,758	-
	Additions	-	552
	Disposals	-	-
	At 31 December 2018	3,758	552
		3,758	552
	Depreciation		
	At 1 January 2018		
	Charge for year	1,253	110
	At 31 December 2018	1,253	110
		1,253	110
	Net book value	2,505	442
		2,505	442
			Old Charity
		2018	2017
		<i>£</i>	<i>£</i>
11	Debtors		
	Trade debtors	-	1,090
	Prepayments	1,680	1,500
	Gift Aid	5,649	3,109
		7,329	5,699
		7,329	5,699
12	Current liabilities		
	Sundry creditors	924	2,003
		924	2,003
		924	2,003

RYE ARTS FESTIVAL CIO

Notes to the financial statements (continued) for the year ended 31 December 2018

13 Investment Income

All of the charity's investment income arises from money held in interest bearing deposit accounts.

14 Cash at bank and in hand	2018	Old Charity 2017
	£	£
CAF Bank	27,810	51,342
Lloyds Bank	3,338	-
NatWest	-	3,319
Cash in hand	-	8
	<u>31,148</u>	<u>54,669</u>

15 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Funds at 01-Jan-18	Income	Expenditure	Funds at 31-Dec-18
	£	£	£	£
General fund	62,123	98,018	119,641	40,500

16 Taxation

As a registered charity, the Festival is exempt from tax on charitable activity.